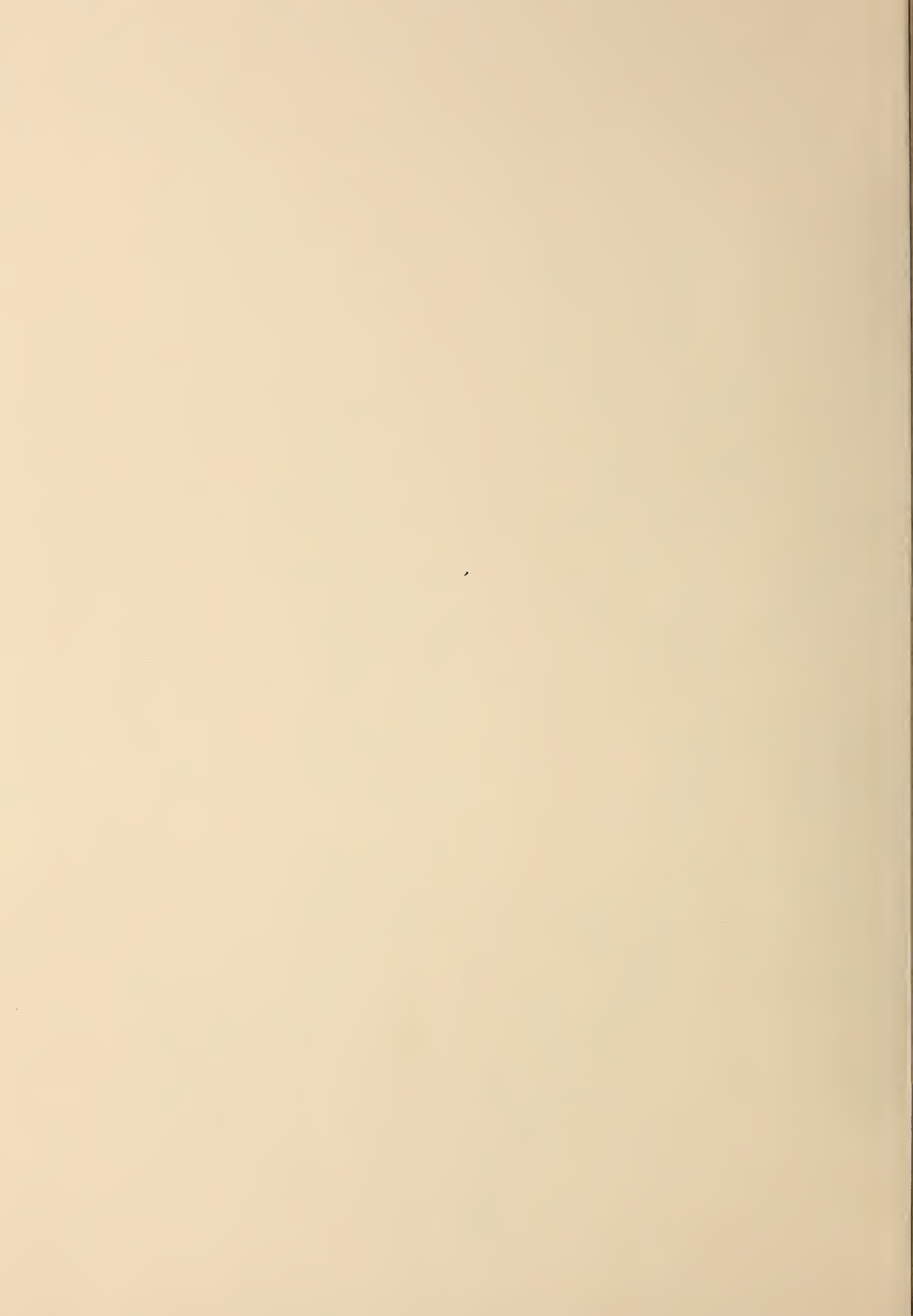


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Printed in U. S. A. Entered as second-class matter June 26, 1885, at the Post Office at Chicago, Illinois, under Act of March 3rd, 1879 Established 1882

PUBLISHED BY Mitchell Brothers Publishing Co. } A MONTHLY JOURNAL DEVOTED TO THE ELEVATOR AND GRAIN INTERESTS. } One Dollar Per Annum SINGLE COPIES, 15 CENTS

VOL. XLVII 431 South Dearborn Street, Chicago, Ill., October 15, 1928 NO. 4

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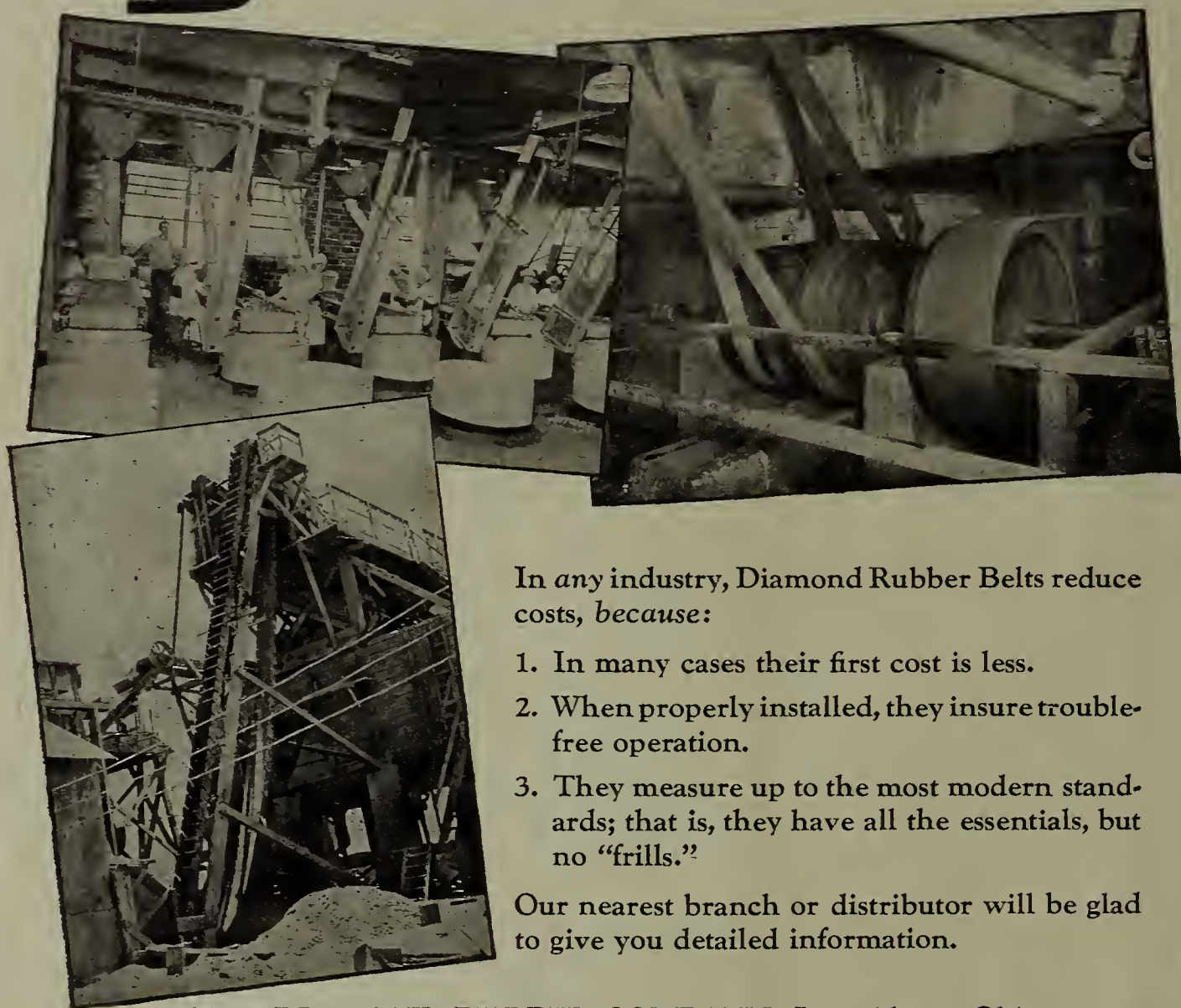
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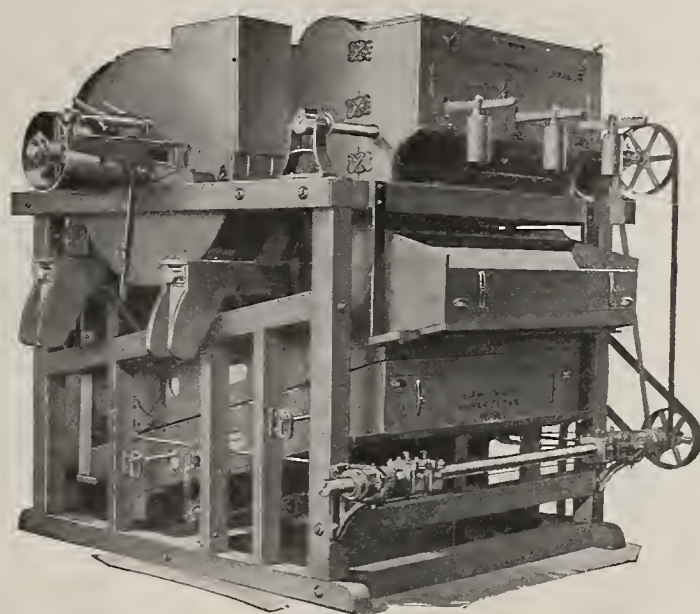
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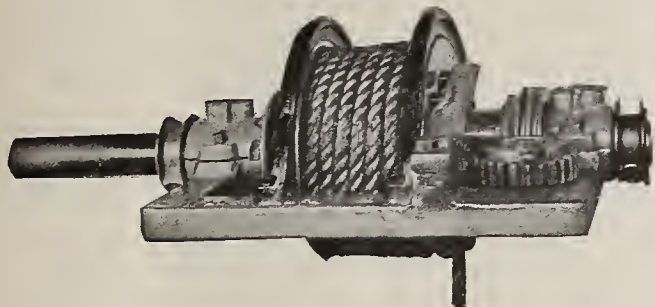
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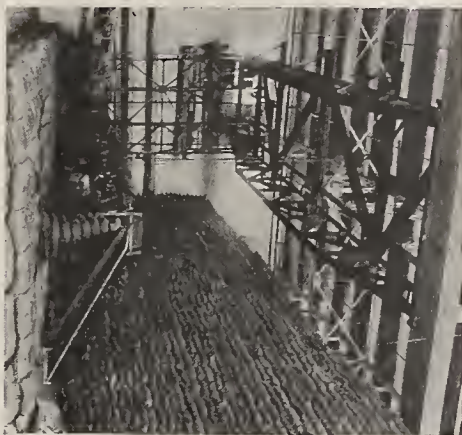
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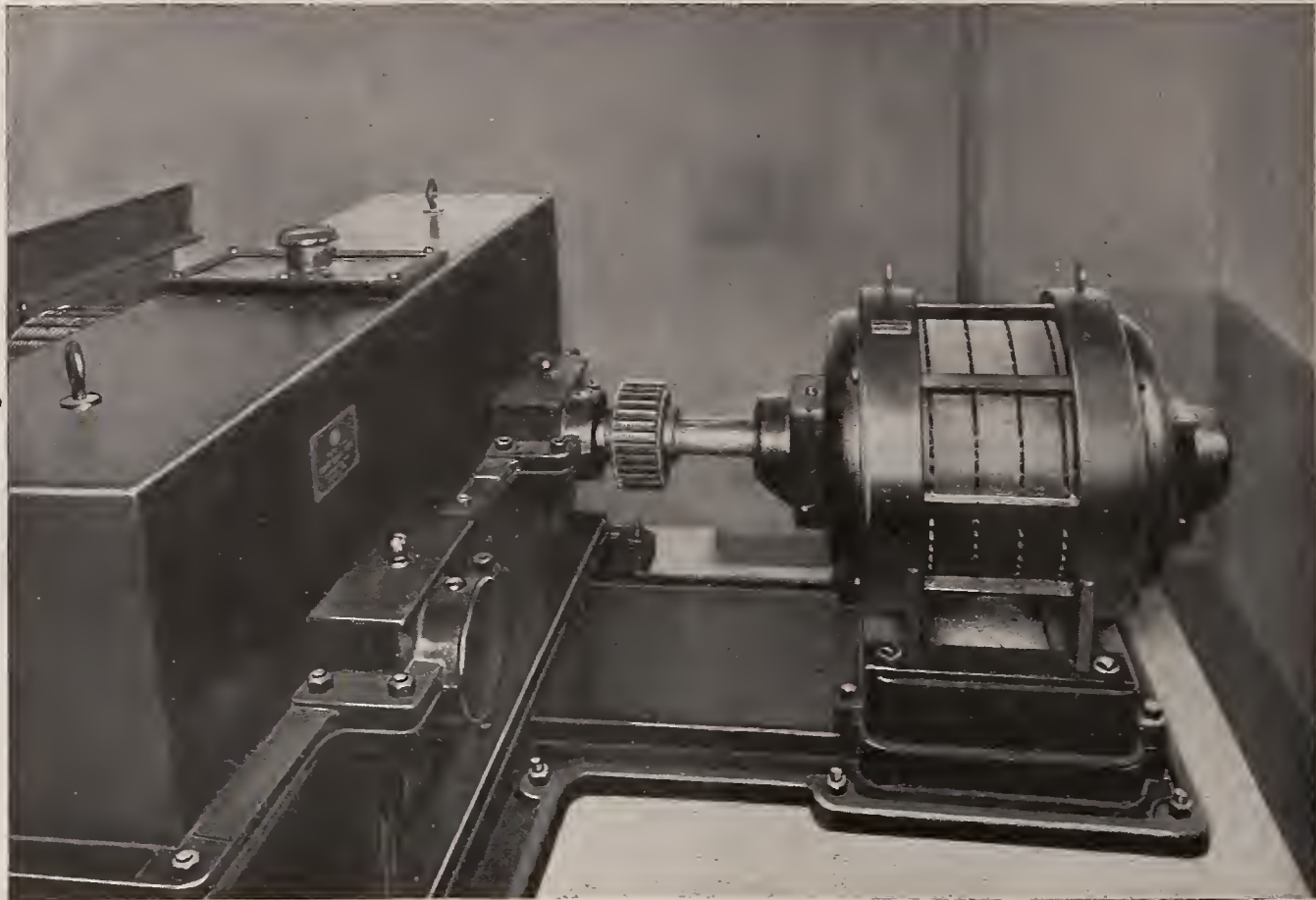
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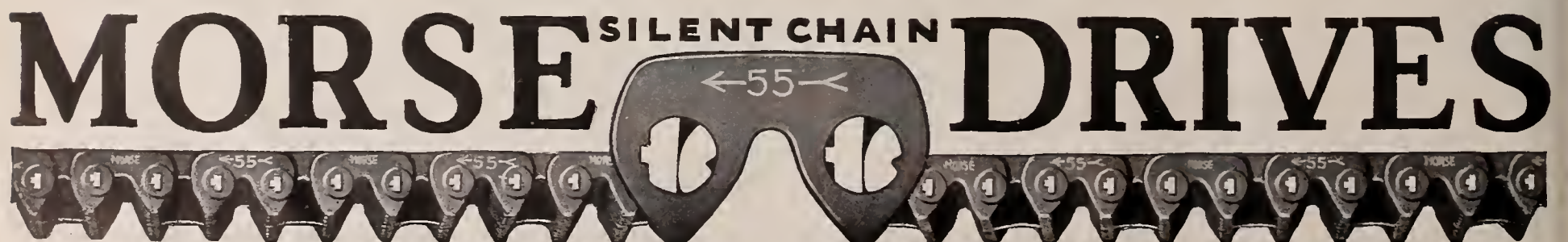
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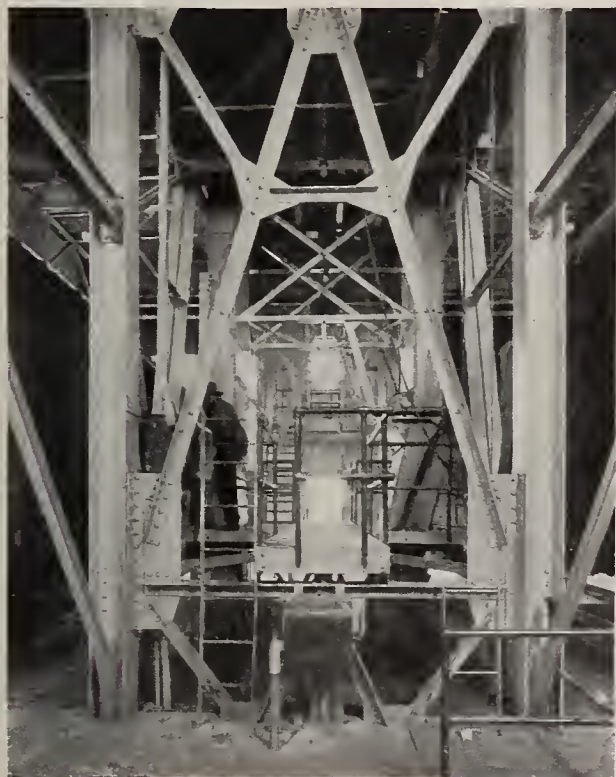
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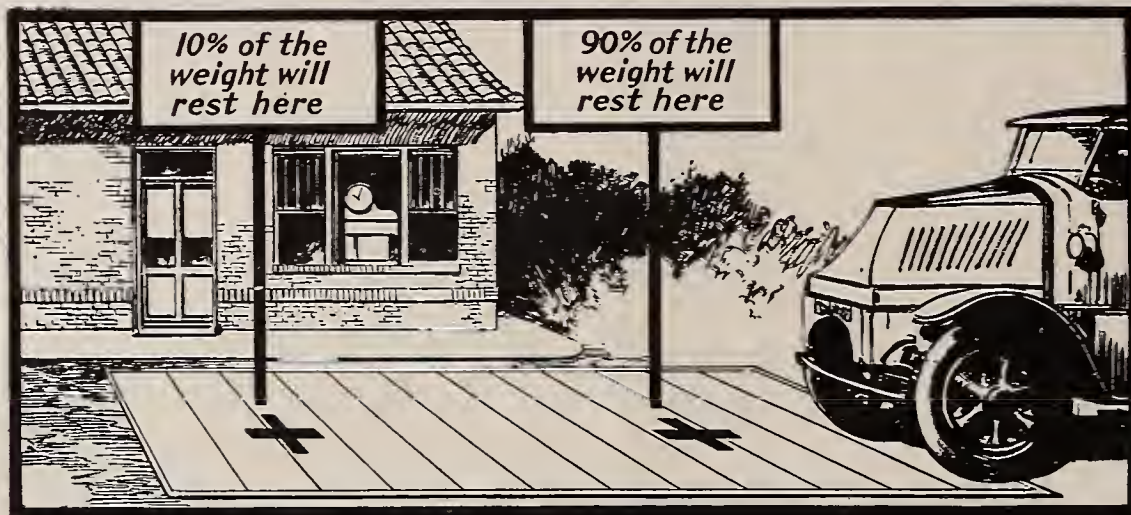
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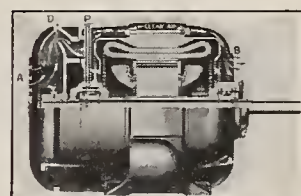
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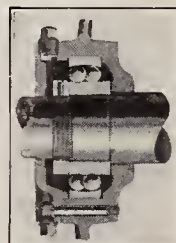
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F—Specially designed fan which functions as an air cleaner

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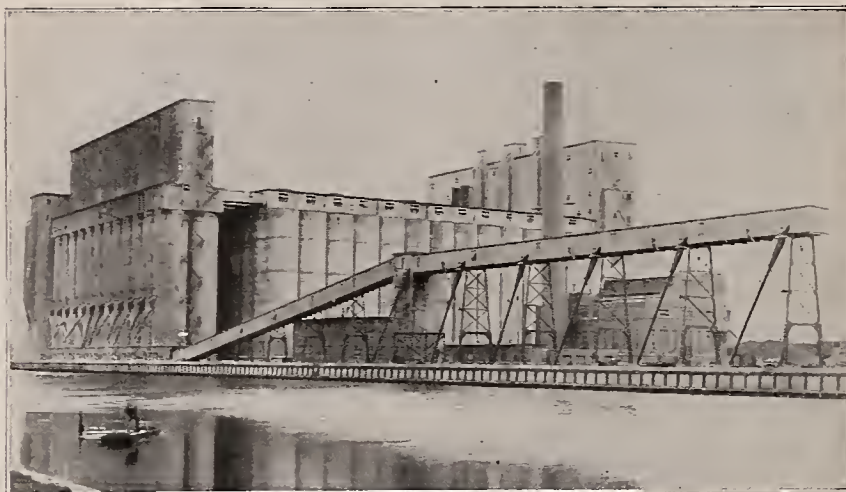
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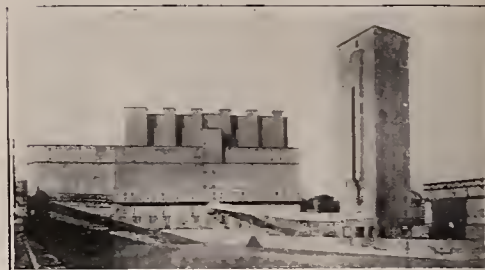
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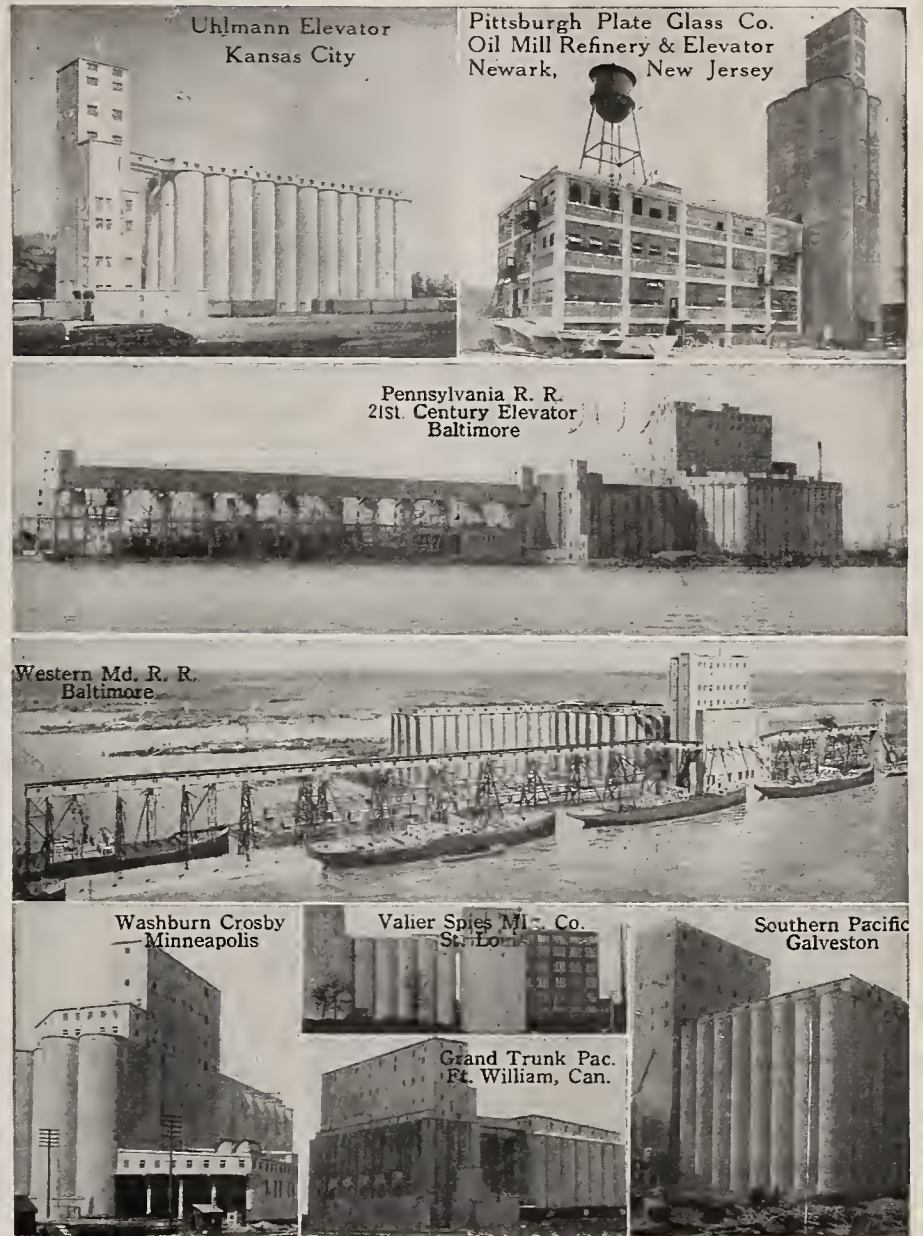
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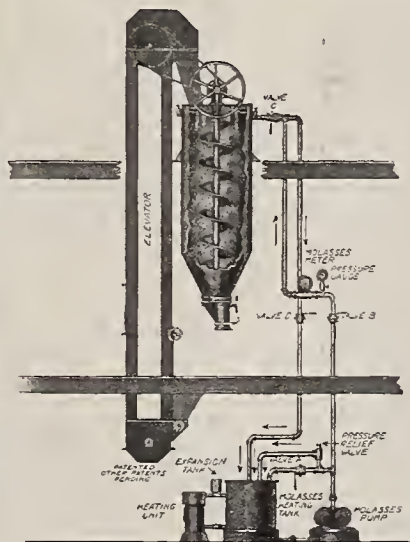


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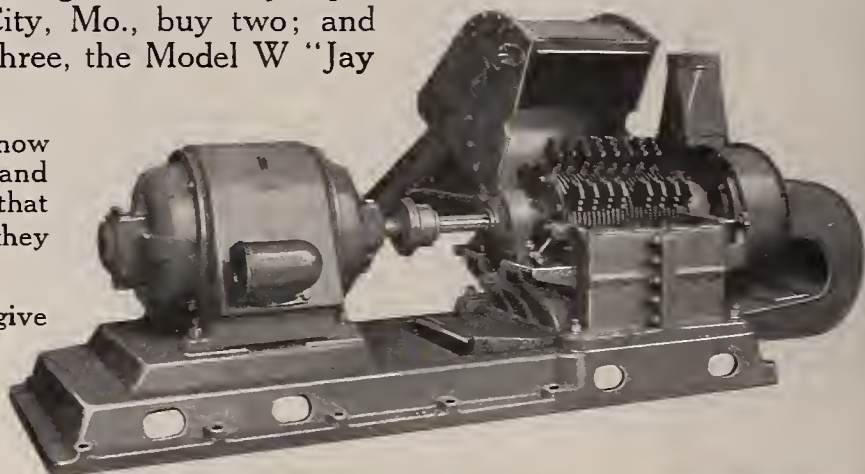
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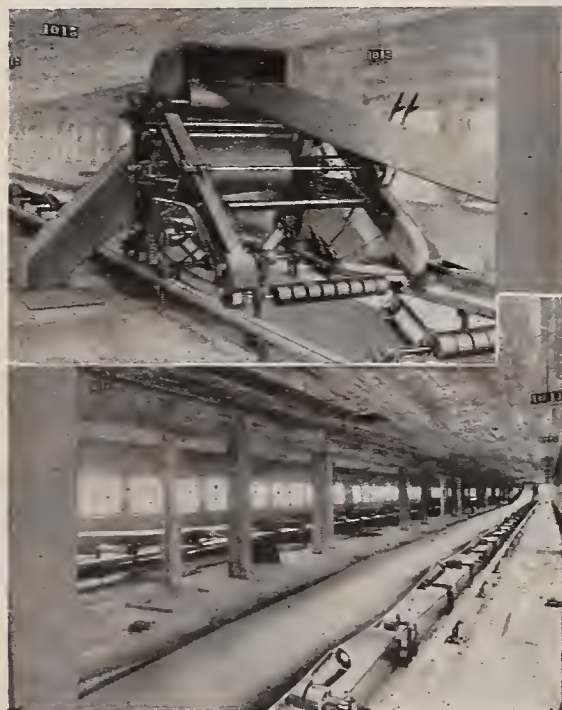


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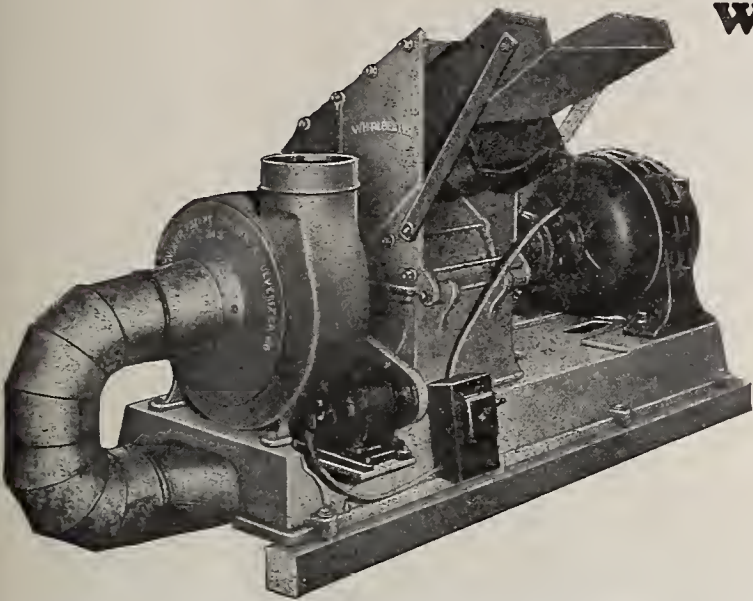
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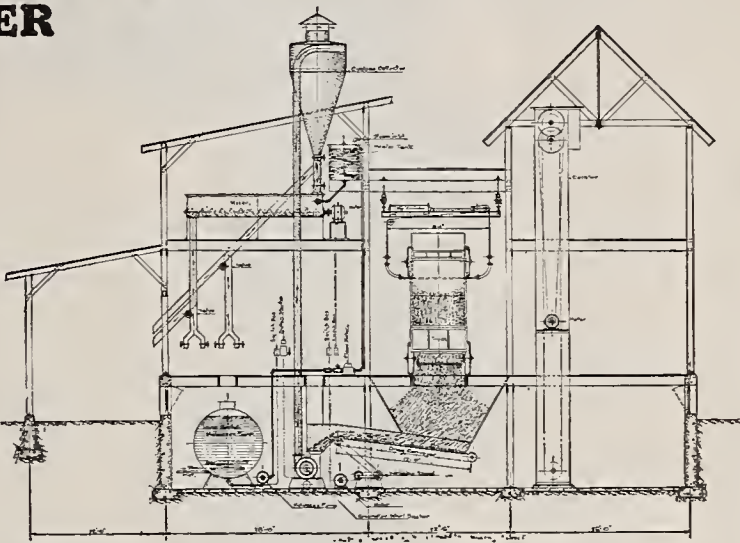
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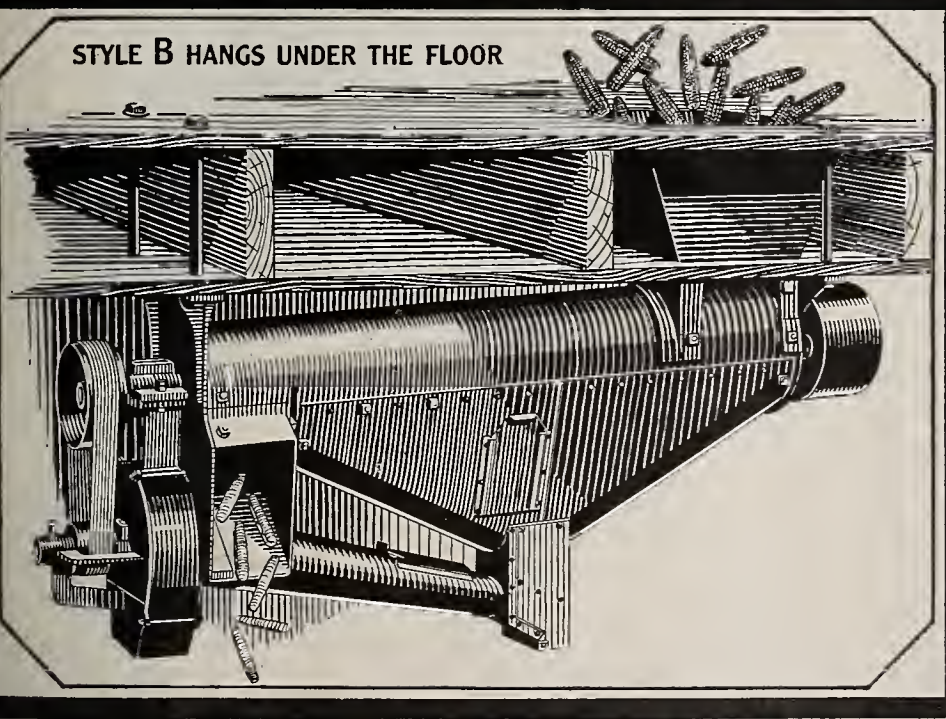
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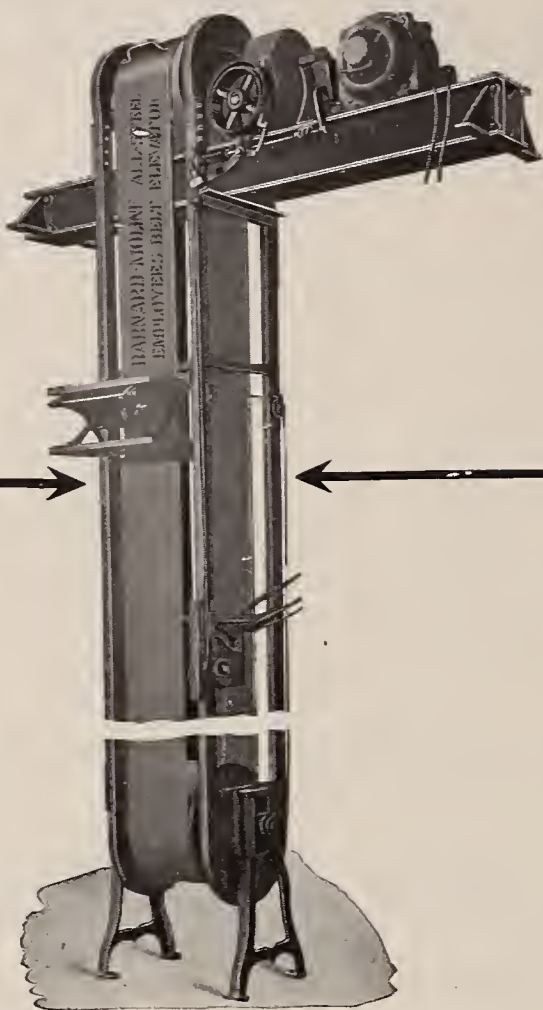


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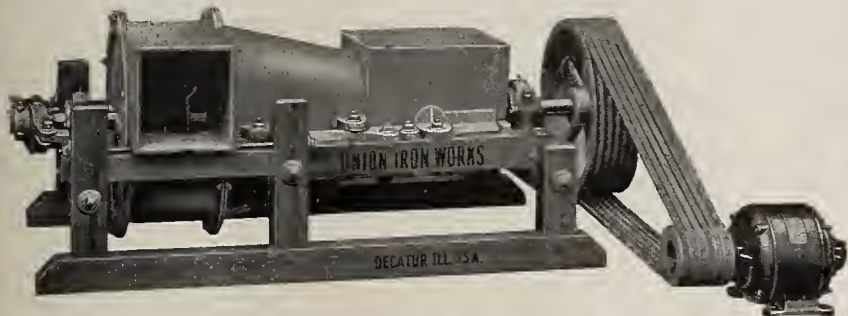
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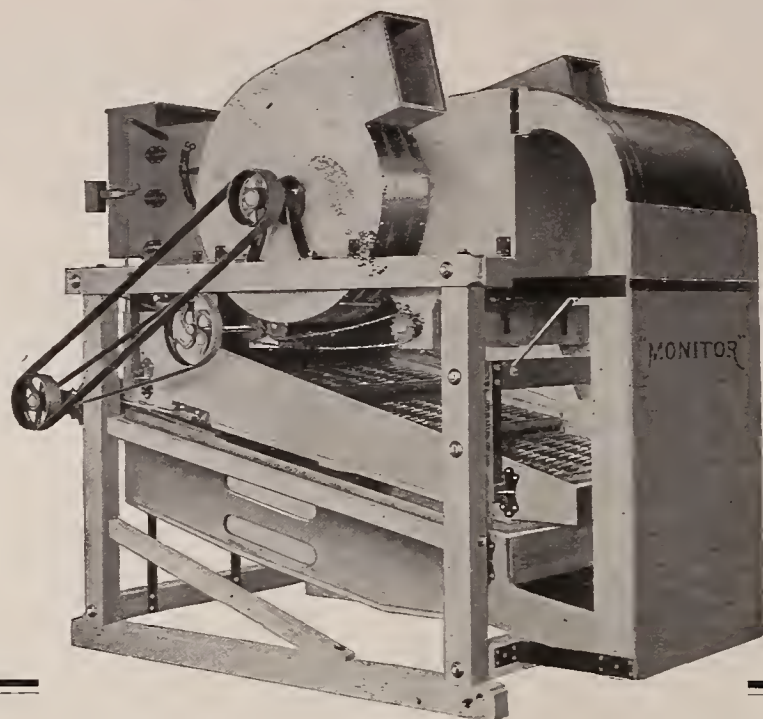
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CHICAGO, ILLINOIS, OCTOBER 15, 1928

NO. 4

King Corn's Contribution to Commerce

By EARL HARDING, Manager Development Department, Cornstalk Products Company, Danville, Ill.



HUSKER-SHREDDER AND BALING PRESS

BALED CORNSTALKS ON MOTOR TRUCK AND TRAILER

CORNSTALK STORAGE PILES

SINCE ox teams first broke the western prairies the elevator man has thought of himself as the grain farmer's marketing outlet. Then came the strawboard mills, making the cheapest grades of paper from the farmers' theretofore unsalable straw. And now the cornstalk pulp manufacturer has arrived, opening a market for that part of the corn plant which the elevator and grain man does not want.

There are so many millions of tons of cornstalks that the idea of any substantial portion of them being utilized commercially sounds fantastic. So thought the lumberman about the use of wood for paper-making only 50 years ago. Skeptics in authoritative-sounding language predicted as late as 1874 that wood would never be the world's principal paper-making material. No sooner had those skeptics died or been converted by collision with hard facts than the manufacturers of paper became just as "soft" in their idea that America's "limitless" timber resources could never be exhausted.

The world now knows that the forests must be supplemented to satisfy the great industrial hunger for cellulose—the raw material not only for paper but for hundreds of other everyday commodities

which modern chemistry has developed. The world also has known for a long time that the most extensive unused supply of cellulose exists in the stalks of America's Corn Belt.

The demand for cellulose has at last driven industrial chemists to wrest from King Corn the secret of his stalk, if not how he put it together,

get out of the corn field. The grain man naturally asks how this is going to affect him and his business.

Being in contact with the corn farmer more intimately than any other link in the industrial chain, the grain man can appraise as well as anybody else the effect of cornstalk utilization, once he becomes acquainted with the business facts of this new industry.

Paper consumption in the United States now amounts to about 12,000,000 tons a year, and increases at an astonishing rate as paper is substituted for wood, metal, cloth and leather in numberless articles of common use. Two and one-half tons of cornstalks make a ton of pulp. Ten to 15 per cent of sizing and filler are added to pulp in making it into paper. This tonnage does not take into account the demands of rayon (artificial silk) and the other so-called chemical cellulose industries, such as lacquer, film, artificial leather, etc., nor the still larger potential use of cellulose in insulating lumber made now from wood, cane and other fibres.

With such fields open to cornstalks, it is not so fantastic to foresee the day when a very substantial portion of the Corn Belt's stalk crop will go to



PLANT OF THE CORNSTALK PRODUCTS COMPANY, DANVILLE, ILL.

at least how it can be taken apart, separated into cellulose, soluble carbo-hydrates, pentosans and a staggering list of derivatives of still unexplored commercial value.

The world's first commercial cornstalk pulp mill, at Danville, Ill., is now making visible the values which the grain man and the elevator man do not



WASHING AND SHREDDING CORNSTALKS



DIGESTERS REDUCE STALKS TO CELLULOSE FIBRES



BLEACHING TANKS AND STUFF CHEST

market—always *provided* that stalks prove to be a suitable raw material and can be harvested and delivered to factories at a competitive price as a substitute for wood.

As to the suitability of cornstalks as a paper making material, the eyes of the paper world were opened last month at the meeting in Wausau, Wis., of the Technical Association of the Pulp and Paper Industry. Edwin F. Hulbert, chief engineer of Cornstalk Products Company of Danville, read a paper and exhibited samples of cornstalk pulp at the request of the association. Owners of paper mills who a few months ago viewed cornstalk paper as a remote possibility at best, expressed astonishment at the quality of the corn pulp and ordered carload shipments of it.

Mr. Hulbert, who is an experienced pulp and paper engineer, summed up the results to date as follows:

"It has first been proven that cornstalk waste can be successfully gathered and delivered to the pulp mill, at a price that makes its commercial use as possible substitute for wood pulps an attractive venture.

"It is possible to produce a clean, high bleached, white pulp, suitable for the paper maker in the production of many grades of finished white papers, at a price below that of the chemical wood pulp.

"The yield of finished pulp will be from 35 to 45 per cent of the dry weight of the stalk used.

"A sufficient quantity of raw material to operate a 100 ton daily capacity pulp mill can be reproduced from year to year within a 10-mile radius of that operation.

"The character of the finished pulp can be more or less controlled by proper control of the raw material in growing and gathering.

"The pulp reacts very quickly to certain handling in the plant process and complete hydration can be accomplished almost instantaneously, and almost as quickly it can be de-hydrated and a free soft pulp obtained.

"It has been possible to reproduce almost any



FINISHED PULP AND CYLINDER PAPER MACHINE

quality found in the finished product of wood pulp with 100 per cent corn pulp.

"A blending of corn pulp with small or large percentages of sulphite or sulphate wood pulp is perfectly practical and a high grade white paper made from a mixture of 10 per cent sulphite and 90 per cent corn has been made commercially and at a speed equal to the straight wood pulp sheets. It will be possible to produce a corn newsprint the equal in strength and appearance of the present wood news."

These results have been attained only with much grief—the chemical and mechanical difficulties which beset pioneering effort in any industrial field. Mr. Hulbert told the convention of paper experts that he doubted whether any established pulp or paper manufacturing organization would have pursued the elusive secrets of cornstalk cellulose so far and persistently as has the group of eastern and western capitalists behind Cornstalk Products Company, practically none of them being paper makers. Three-quarters of a million dollars was put into the business before it came into commercial production last month. Another half million has been added to increase production of the Danville plant, carry on research still farther, and prepare for expansion next year in other Corn Belt

centers through other subsidiary companies.

Summing up the possible effects of this new industry, it appears that it will touch the grain and elevator man only indirectly, but where it helps the farmer it will help him.

Profiting by experience with various methods of harvesting tried in 1927, the Cornstalk Products Company this season is cutting the farmers' corn with corn binders or corn sleds, putting it in shock, and when ready for husking, hauling it with shock-movers to the roadside, where the husker-shredder and baler deliver husked corn into the farmer's wagon and baled stalks onto the company's trucks. The farmer receives regular day's wages for work of men, teams and any equipment he may rent to the cornstalk company, and the company takes the stalks in payment for the harvesting bill. The farmer's usual out-of-pocket for husking a 50-bushel crop is at least \$3 an acre. The labor he sells to the cornstalk company brings him about \$2 more, so that he can count upon \$5 an acre of "new money" in place of the fertility value, whatever it may amount to, which is taken off his land in cornstalks.

In gross figures, Cornstalk Products Company estimates that a plant producing 100 tons a day of finished pulp will have a payroll of \$250,000 a year and will pay \$500,000 a year for cornstalks and farmers' labor in harvesting and transporting them.

The essentials for such a plant are given as 100,000 acres of corn within a radius of 15 to 20 miles, a good hard roads system on which stalks can be trucked economically, and a sure supply of 40,000 gallons of water per day per ton of pulp produced.

The illustration in the center of the preceding page shows the Danville, Ill., plant of the Cornstalk Products Company, which is said to be the world's first commercial cornstalk pulp mill. A \$750,000 pioneering operation is found here which proves that the much despised cornstalk can be harvested economically as an industrial raw material, stored winter and summer without deterioration of cellulose content, and converted into paper in commercial competition with wood.

Scientific research, on which commercial success must always depend, is kept well ahead of mechanical development by this company. The laboratories in Danville and New York are rated the most extensive and complete in the world devoted exclusively to cellulose research. The view which is given here shows about one-fifth of the space and equipment in the Danville laboratory, and half of the chemical staff. The chief plant chemist, Dr. Elton R. Darling, is shown in the left side of the picture.

Another view shows the bleaching tanks and stuff chest. The brown defibred pulp is here converted to snowy whiteness by chloride bleaching methods which are standard in the pulp and paper industry, excepting for the lower chemical cost for the cornstalk treatment. Large installations of machinery for dewatering and processing the pulp are concealed on the upper floors behind the concrete tanks.

The washing and shredding processes are shown in still another reproduction of a photograph. Baled stalks from the plant storage yard travel up the conveyor 100 bales per hour, into a nine-ton crusher driven by a 75-horsepower motor. The stalks are torn into fragments corresponding to the chips into which a spruce log is cut before making chemical wood pulp. The stream of cornstalks falls into a rotary washer 20 feet long and from the other end (foreground) passes through another shredder which reduces the fragments to fine fibre. The finely shredded material goes down the hopper (foreground) into the stock pit, ready for chemical cooking.

The digesters—shown in the illustration—are in appearance not unlike those in a chemical wood pulp mill, but entirely different in operating technique. They reduce the shredded stalks to cellulose fibres and by-product liquors. There is no solid refuse left.

A cylinder machine, such as depicted in the cut, is used to form and dry pulp in thin sheets; it can also be used to manufacture paper, into which siz-

ing and filler would be introduced before the sheet would be formed. Cornstalk pulp is produced in rolls, in baled sheets, wet crumbled and in cake form, as the paper maker may require.

The three illustrations which are grouped in a strip illustrate how motor trucks and hard roads make possible the economical assembling of farm waste for industrial use. One truck and trailer contains nine tons of baled, shredded cornstalks. Here also is shown cornstalk storage; weathering in open storage piles affects only the byproduct contents but not the cellulose fibres. Deterioration does not appear below the second tier of bales after nine months' exposure. And also in this group is a view of the husker-shredder and baling press, furnished by the company, delivering husked corn



CHIEF CHEMIST DR. ELTON R. DARLING AND ASSISTANTS IN THE LABORATORY

into the farmers' wagon or crib and the baled stalks are in convenient form for economical transportation on trucks.

LOW PRICED GRAIN BRINGS FARM INDEX DOWN

Recession in the purchasing power of farm products, including grain, in terms of other commodities, is reported by the Bureau of Agricultural Economics this month. The current report covers the prices in August and reveals an index of 89, as compared with 93 in June and July. The farm price index is scaled from a base price of 100, represented by the farmer's purchasing power from 1909 to 1914.

October, the bureau reminds the public, is the great harvest month, and the crop story for this year soon will be complete. A stimulus to the increased production of hogs, cattle and dairy animals is seen in the increased feed grain crop this year.

From August 15 to September 15, the farm price index for grain declined three points.

HOW HOOVER REVIVED CORN PRICE RECALLED

How a crash in the corn market and disaster for the Corn Belt was averted in 1918, just before the armistice, by Herbert Hoover, then national food administrator, has been related this month by John R. Mauff, "war secretary" of the Chicago Board of Trade and president of the Council of Grain Exchanges of North America.

"Early in October, 1918," says Mr. Mauff, in a statement sent out from Republican National Committee headquarters, "peace rumors had reached the grain exchange and the corn market was feeling the effect. November corn in Chicago on October 5 reached \$1.31 a bushel, and October 7 it closed at \$1.22 $\frac{3}{4}$, dropping on October 8 to close to \$1.19, and on October 10 to \$1.12 $\frac{3}{4}$."

It was at about this point that Mr. Hoover stimulated the market by announcing that the grain corporation had arranged for a heavy exportation of corn. Partly as a result of this news, corn futures closed on November 30, at \$1.33 per bushel, a net advance of 22 cents over the bid on October 14, when the notice was given, and the crash averted.

Growth and Distribution of Grain Elevator Storage in the United States

By E. A. DUDDY

ELEVATORS continue to be of strategic importance in the grain trade. In noting the changes that have resulted from the competition of markets, it is worth while taking account of what is happening to grain storage space. The following discussion attempts to bring together significant facts with regard to the amount and distribution of grain elevator space, and to point out current trends in the use of this space.

The earliest figures for the country as a whole are those of the 1903 report on "Warehousing," by the Department of Commerce and Labor. Terminal elevator storage only was reported and the total capacity at 24 seaboard and lake ports was 186,793,000 bushels. This total included both public and private elevators but no mill storage. Among the ports, New York with 29,480,000 bushels' capacity, was easily at the top. In the interior, Chicago, Buffalo, Marquette, and Duluth were the important points.

TABLE 1

Storage Capacity of Grain Elevators at Seaboard and Lake Shore Points¹

| Ports | Storage Capacity Bushels | Gt. Lakes Customs Dist. | Storage Capacity Bushels |
|----------------|--------------------------|-------------------------|--------------------------|
| Pacific Coast | | | |
| Portland | 8,200,000 | Buffalo | 18,500,000 |
| Seattle | 712,000a | Cape Vincent... | 200,000 |
| Tacoma | 6,141,000 | Chicago | 53,470,000b |
| Gulf Coast | | Cleveland | 2,600,000 |
| Galveston | 4,000,000 | Detroit | 3,215,000 |
| Mobile | 250,000 | Duluth | 16,500,000 |
| Pensacola | 500,000 | Erie | 1,250,000 |
| Atlantic Coast | | Milwaukee.... | 9,945,000c |
| Newport News | 2,250,000 | Marquette.... | 18,600,000 |
| New York | 29,480,000 | Ogdensburg... | 1,030,000d |
| Norfolk | 100,000 | Oswego | 500,000 |
| | | Port Huron.... | 1,000,000 |
| | | Sandusky | 350,000 |
| | | Toledo | 8,000,000 |

¹ Department of Commerce and Labor, Bureau of Statistics, *Monthly Summary of Commerce and Finance*, October 1903, p. 1054.

a. Tons capacity of wharves, warehouses, and elevators on water front.

b. Private warehouses, 25,320,000 bushels capacity included.

c. Milwaukee, 5,255,000; Green Bay, 1,610,000; Keweenaw, 180,000; Manitowoc, 2,800,000; Sturgeon Bay, 100,000.

d. Storage capacity of 130,000 bushels is private.

A percentage distribution of space reported in 1903 compared with space reported for the same districts in 1927 shows a remarkably stable situation in the case of the lake ports. The increase at the Gulf ports is noteworthy, while declines are registered on the Atlantic and Pacific Coasts.

Unfortunately no report is available for interior markets in 1903, but in 1927 the interior markets had a total of 189,202,500 bushels of grain storage capacity. They constitute the most important group of markets.

Table 2

Distribution of Grain Elevator Space at Seaboard and Lake Ports, 1903, 1927¹

| | 1903 | Per cent | 1927 | Per cent |
|---------------------|---------|----------|---------|----------|
| Pacific Coast | 15,053 | 8.1 | 14,073 | 6.5 |
| Gulf Coast | 4,750 | 2.5 | 13,022 | 6.0 |
| Atlantic Coast ... | 31,830 | 17.0 | 32,632 | 15.1 |
| Lake Ports | 135,160 | 72.4 | 156,255 | 72.4 |
| | 186,793 | 100.0 | 215,982 | 100.0 |

¹ For data of 1927 see Table 5. Mill storage is included in figures of 1927 but not in those of 1903.

In 1918, the United States Grain Corporation required the licensing of all grain elevators in the country. This was incidental to the activities of the Grain Corporation as a grain buying agency. The returns were therefore as nearly complete as can ever be expected. Returns are by states and elevators are classified as terminal, country elevators, and mill elevators. A summary of the terminal and mill elevator space by geographical divisions is given in Table 3.

Changes in regional distribution of grain elevator space between 1918 and 1927 are apparent in the Middle Atlantic, East North Central, West North Central, East South Central and Pacific States. The gain in the Middle Atlantic is about offset by the loss in the East North Central States. Gain in space is most pronounced in the most important group, the West North Central States. The loss in the East South Central States may be explained by the less complete nature of the 1927 report, while the change in the Pacific group is explained by the

fact that warehouses other than elevators were included in the 1918 report.

Table 3

Distribution of Terminal and Mill Elevator Storage Space by Geographical Divisions, 1918,¹ 1927²

| | 1918 | | 1927 | | |
|------------------------|---|-------------|---------------------------|-------------|--|
| | Capacity in Bushels (000 omit- ted) | Per cent | Capacity in Bushels | Per cent | Wheat ³ Surplus or Deficiency Production 1925-26 (Bushels) |
| New England | 5,319 | 1.5 | 5,437,191 | 1.4 | —34,115,000 |
| Middle Atlantic .. | 43,928 | 11.0 | 56,470,000 | 13.6 | —91,546,000 |
| East North Central ... | 91,430 | 22.9 | 82,971,000 | 20.4 | —27,920,000 |
| West North Central ... | 166,512 | 41.8 | 195,106,500 | 48.3 | +203,124,000 |
| South Atlantic .. | 11,934 | 3.0 | 14,460,000 | 3.6 | —36,466,000 |
| East South Central ... | 11,644 | 2.9 | 7,577,000 | 1.9 | —26,761,000 |
| West South Central ... | 27,423 | 7.0 | 29,090,000 | 7.2 | —16,654,000 |
| Mountain ... | 13,069 | 3.3 | (no data) | — | +53,744,000 |
| Pacific | 26,443 | 6.6 | 14,073,000 | 3.6 | +25,757,000 |
| United States ... | 397,702 | 100.0 | 405,184,691 | 100.0 | |

1. Table 15 in "Grain and Flour Statistics During the War," United States Grain Corporation, 1918.

2. Based on Table 5. Includes mill elevator space.

3. Per capita consumption basis 1920-24, Year Book, Department of Agriculture 1925, p. 757.

It would appear that the regional distribution of terminal grain elevator space is largely controlled by surplus wheat production and exports. The effect of surplus production is marked in the case of the West North Central States; the effect of exports in the East North Central, Middle Atlantic, Pacific and West South Central States.

In the East North Central States, wheat deficiency means little for storage capacity because wheat flows into the markets of this area from the surplus production states for export as well as for consumption. Moreover, the elevator capacity probably is geared in with the handling of corn and oats to a greater extent than is true of states more distant

from a market, where these commodities are stored and fed on the farm.

In the case of the South Atlantic and East South Central States, the large wheat deficiency agrees with small elevator capacity. In the West South Central States the greater proportion of elevator capacity is accounted for by exports through the Gulf ports.

The Mountain States, which have practically no terminal elevator space, show a large wheat surplus and constitute an exception. These states act as feeders to the eastern and western export markets. Apparently no attempt is made to hold wheat in these states once it has left the farm or country elevator.

A tabulation of the available information on total elevator space in the United States, including both mill and terminal storage is given in the following table:

Table 4

Total Mill and Terminal Elevator Capacity for the United States

| Year | Terminal Elevators | Per cent | Mill Elevators | Per cent | Total space |
|-------|--------------------|----------|----------------|----------|-------------|
| 1903a | 186,793,000 | — | — | — | 186,793,000 |
| 1918b | 248,122,000 | 63 | 149,580,000 | 37 | 397,702,000 |
| 1920c | 261,507,223 | — | — | — | 261,507,223 |
| 1920d | 207,718,107 | 80.78 | 49,675,580 | 19.30 | 258,393,687 |
| 1927e | 270,123,128 | 66.66 | 135,061,563 | 33.34 | 405,184,691 |

a. Twenty-three markets, 1903 report on "The Warehousing Industry," Department of Commerce.

b. All markets, United States Grain Corporation.

c. Fifty-two markets, Federal Trade Commission, 1920, Report on the Grain Trade, Vol. III, p. 288.

d. Twenty markets, Federal Trade Commission, 1920, Report on the Grain Trade, Vol. III, p. 290.

e. Fifty-four markets, percentages estimated from report on all markets by United States Grain Corporation. See Table 5.

The different basis for each of the totals makes comparison difficult but it is fairly clear that there has been an increase in terminal elevator storage space over the whole period, 1903-1927. Between 1918 and 1927, data of the two years being fairly comparable, there is a gain of 2 per cent in mill and terminal elevator space combined, a gain of 3.4 per cent in terminal elevator space alone, and a loss of 10 per cent in mill elevator space in the same period.

(To be continued)

Hints for the Elevator Millwright

"Big Bill" Davis Erects An Elevator Leg and Gives Some Pointers About the Elevator Drive

By JAMES F. HOBART

"MR. DAVIS," said Thomas Dixon, owner of the Hillside Elevator, "won't you come out to my place for a few days, look over a lot of material I have on hand, and see if you can get out of it a good elevator leg which will handle 500 bushels of wheat or corn per hour, and which will have a little reserve capacity, and will not 'lay down' when pushed to the limit of its capacity. My present elevator quits when overloaded a bit and I want one which can be depended upon."

"Let's talk over elevator requirements a bit," said "Big Bill" Davis. "You want to handle 500 bushels of grain per hour. How much weight is that?"

"Five hundred times 56 is 18,000 pounds," said Mr. Dixon, pencil and pad in hand.

"How high must the grain be elevated?" continued Mr. Davis, and upon being informed that the lift was 90 feet, added, "That means that 90x300 is 2,700 foot-pounds of energy required for the elevator. One horsepower equals 33,000 foot-pounds; about 9/11 horsepower will be required by your proposed elevator, plus a generous allowance for friction and for overload; therefore, at least 2½ or 4 horsepower should be provided for your new leg."

BUCKET AND BELT WIDTH

"How wide should the belt be, and how wide or long, ought the buckets measure?" queried Mr. Dixon.

That depends some upon the speed at which the head-shaft is to be run, its diameter, spacing of buckets upon the belt, and possibly, upon some other details which may crop up later. If it be assumed, for the purpose of making a start, that you use that 24-inch pulley on the headshaft, then

its circumference will be about 6 1/5 feet, and say, 30 R.P.M., there would be a belt speed of 187½ feet per minute, which is pretty slow for a belt which has any considerable amount of work to do; but in case of an elevator, the belt has only to carry the load of grain and receive sufficient tractive force from the head pulley to carry the load of grain in the buckets."

"Maybe there is where the trouble lies in my old elevator," said Mr. Dixon. "It has big, wide buckets, set close together on as narrow a belt as will receive the bucket-bolts."

"Let's see," mused Big Bill, "how big is a bushel of grain, anyway? I have forgotten how many cubic inches a standard bushel should contain. Where are some of our catalogs, Mr. Dixon? Some of them contain all that sort of stuff."

"There isn't a catalog around the elevator, Mr. Davis. I used to have a pile of them, but somehow, they have gotten away."

"Better send for some new catalogs. They are handy to have around when a job like this must be done. Now, let's see—there are 7½ gallons in a cubic foot of 1728 cubic inches, so one gallon, or four quarts must contain 232 cubic inches and as there are eight gallons in a bushel, there must be 8x232, or 1,856 cubic inches in a bushel, against 1,728 in a cubic foot. This shows that a bushel and a cubic foot are about of the same size. As there are 32 quarts in a bushel, which of wheat may weigh about 56 pounds. We will assume that a quart of wheat weighs 56, divided by 32 or 1¾ pounds, and base our cup calculations upon a quart of wheat and its weight of 1¾ pounds.

"Let it be assumed, for the present, that the buckets or cups are to be spaced 18 inches apart

upon the belt. Running at a belt velocity of 187 R.P.M. there must be about 124 or 125 buckets pass upward each minute and to handle 300 pounds of grain per minute, each one of the 125 buckets must carry nearly $2\frac{1}{2}$ pounds of grain.

"Let's make sure of our ground, Mr. Dixon—30 R.P.M. on a pulley $6\frac{1}{5}$ feet in circumference means about 187 R.P.M. belt travel, and with a bucket each 18 inches there will be a little less than $2\frac{1}{2}$ pounds load each. Now, on the belt, in a 90-foot lift, there will be approximately 69 buckets and each carrying about $2\frac{1}{2}$ pounds, the load on the belt at any one time will be approximately $2\frac{1}{2} \times 60$, or 150 pounds of grain.

"But, thus far, there has been no provision for overload, and if you desire the elevator to be able to work under 100 per cent overload, then, we must double the weight of grain which can be on the belt at any time and provide for 300 pounds of grain to be lifted, in 60 buckets capable of containing about five pounds each. This gives an idea of the size of buckets necessary, for to contain five pounds of grain weighing about $1\frac{3}{4}$ pounds per quart, the five-pound buckets must necessarily be large enough to contain about $2\frac{1}{2}$ quarts each.

BUCKET CAPACITY VS. BELT SPEED

"Now, Mr. Dixon, get out your elevator material and see if the size of buckets you have can be adapted to the belt speed and bucket spacing which we have figured out. If so, all well and good. However, as the belt width has not yet been figured, select the buckets to be used and see how wide a belt is needed to receive the bucket bolts properly."

"Mr. Davis, here are some buckets which hold about three quarts each. It looks as though they are the most likely ones I have."

"All right, you say they will hold upon a 10-inch belt, then we may as well work around that belt-width and see how things come out. The three-quart cups, fully loaded will carry $3 \times 1\frac{3}{4}$, or $5\frac{1}{4}$ pounds of grain and 60 loaded cups on the belt will be $60 \times 5\frac{1}{4}$, or 315 pounds of grain will load the belt at any one time. An elevator belt should never be loaded with more than 400 pounds per inch of width—although many power belts are far heavier loaded, which should not be—and 315 divided by 10, the belt width, gives only $31\frac{1}{2}$ pounds belt load, which is well within the safe limit. But, as the elevator is intended to work normally, at one-half its bucket capacity, the belt load in this case, will be negligible.

"Now, Mr. Nixon, let's check up and see how much grain we are going to handle with those three-quart buckets, half-filled with material, or, carrying, we will say, for convenience in calculating, $2\frac{1}{2}$ pounds of grain each. As about 124 buckets pass the head pulley per minute, the amount of grain carried will be $124 \times 2\frac{1}{2}$, or about 310 pounds

per minute, or 18,100 pounds of grain per hour. Divided by 46 this shows about 330 bushels of grain each hour. This elevator leg with the buckets fully loaded will handle upward of 600 bushels of grain each hour. So, that is what should be obtained from an elevator leg built as we have figured. If you want more than 332 bushels per hour at half-load, then, all you have to do, is to run the elevator belt a little faster, or put more buckets on the belt by spacing them a few inches closer together. That detail, you can easily figure for yourself, along the lines we have discussed."

"I wish you would explain a bit about how to lay down a drive for this elevator which can be depended upon, when the clips are fully loaded, and which will stand heavy duty," said Mr. Dixon.

THE ELEVATOR DRIVE

"For example," said Big Bill, "we will take this elevator loaded with 60 buckets ascending at the same time, each loaded with five pounds of grain. That means a load of 5×60 or 300 pounds, lifted 90 feet at the rate of 187 feet per minute, or we will assume for ease of calculating, 90 feet in a half-minute. Thus, the elevator is working at the rate of 310 pounds lifted 187 feet per minute and calls for about 57,000 foot-pounds or thereabouts, a little less than two horsepower of 33,000 foot-pounds each.

Now, to figure a belt drive for this elevator it will be necessary to know how large a drive-pulley is to be placed upon the head-shaft. Assume the diameter of this pulley to be three feet, or 36 inches. Its circumference would be $18\frac{3}{6}$ feet, which for convenience we will call $18\frac{1}{2}$ feet. At 30 R.P.M., this pulley would require a belt velocity of $18\frac{1}{2} \times 30$, or about 555 R.P.M. To get away with its load of 57,000 foot-pounds, at a velocity of 555 feet per minute, the driving belt must pull 57,000 divided by 555, or about 100 pounds, or a trifle more. In order to have a sure-fire drive, we will load the belt with only 40 pounds per inch of working pull. This does not take into consideration the stress caused by stretching the belt over its pulleys. Only the real working pull will be 40 pounds per inch of width, therefore, a three-inch belt will do."

THE ELEVATOR BOOT

"I haven't any elevator boot," said Mr. Dixon, as he checked over the figures they had made.

"Perhaps not," said Mr. Davis,—"but you have a lot of small steel angles and some sheet steel from which a fine steel leg could be made up by your own mechanic. Why spend good money for a cast-iron boot, when you can get along as well or perhaps better without it?"

"That interests me a whole lot," replied Mr. Dixon. "Let's have the details, please."

"Build a concrete pocket for the foot pulley to work in," said Big Bill, "and I will guarantee you will like it better than a regular boot, which you

never can clean out without almost standing on your head while you puggle around under elevator buckets under a slackened belt while your body is draped over the sharp edges of the old boot. Dig a hole a couple of feet deep and wide enough to give plenty of footing for the elevator leg, set a couple of I-beams in position to receive the two take-ups to which the foot-shaft shall be hung. Do not waste time in making a concrete bowl to fit the radius on the outer edges of the buckets while in place over the belt and foot-pulley. Make the pocket square or nearly so, and have the bottom of it above or level with the ground if it is possible. If lack of room makes it necessary to place the bottom of the elevator pocket below the floor level, then excavate and concrete the walls of a pit lower than the bottom of the elevator pocket, and large enough not only to permit a workman to get at the bottom of the elevator pocket easily, but the pit, whatever its depth, should be long and wide enough to contain all the grain which might be found inside the elevator leg in case of a 'choke.'

"Make the sides and bottom of the pocket square, as directed, but put fillets of concrete along the sides of the pocket, to avoid a sharp corner. It may be well to make a larger fillet in the back corner of the pocket, in order that it may be easier to hoe out stuff whenever the pocket is to be cleaned.

"Place a steel frame in the top of the concrete and flush therewith, this frame to be attached to the two vertical I-beams, or channels to which the take-ups are to be bolted. The steel frame is to be fastened into the concrete and to receive, grain-tight, the sides of the steel leg of the elevator, and take care to make the bottom of this leg with (at least one for each side) removable section or shutter which may at any time be quickly removed to permit access to the interior of the elevator leg. Perhaps the bottom of the concrete pocket may be a couple of feet below the floor level.

"When the concrete of the pocket is placed, have a steel angle imbedded in the concrete and made to project slightly into the pocket, far enough to receive a piece of plain sheet steel, held in place by its own weight, and forming, while in place, the front of that portion of the pocket in which the foot-pulley evolves and the grain is dumped to reach the buckets."

"Mr. Davis, what are the advantages of that sort of an elevator foot?"

"Here are some of them, Mr. Dixon. If ever this leg has a choke, it is easy to pull all material from the pocket into the pit, from which it may be shovelled back in the leg again after the choke has been cleared out. Again, if you desire to clean this elevator, it is only necessary to lift out the 45-degree steel plate and you can clean the bottom of the pocket—something mighty hard to do with an ordinary elevator boot."

Fire Protection and Prevention

A Discussion of Causes Which Most Frequently Account for Elevator Fires and Preventive Measures That Help As Safeguards for the Grain Merchant

By JAMES H. THOMSON

IT IS only natural that when we consider fire protection we should also think of prevention, for surely the two should go hand in hand. Following out this line of thought, it would seem that every elevator owner and employe should be always on the alert to discourage any condition which may in any way tend to encourage a blaze.

When one considers the number of likely causes around an elevator, it's really a wonder there aren't more fires than there are for in perhaps no other factory or plant outside of a flour mill are conditions so ideal. "Cause unknown" stands out prominently in a number of newspaper accounts of mill and elevator fires, but friction seems to be the accepted most common cause in known cases.

FRICTION AS A FIRE CAUSE

The common flat bearing is an old offender in this respect, either on a line shaft or piece of machinery. The manufacturers of anti-friction bearings, either the roller or ball type, claim the sav-

ing in power spread over a period of years will pay for the installation and it would seem this type has much to commend it in addition to its doing away with a common fire hazard. Regular bearings if installed should be kept well babbitted and oiled and the alignment as near perfect as possible, especial care being paid to those bearings in dark and inaccessible places.

Choked elevators frequently cause fires, the rubber or canvas belt on the iron pulley being bound to start a blaze eventually if the pulley is left choked for any length of time. A rubber lagged pulley with a rubber belt should do away with a good deal of loss of power through slippage as well as discourage any but heavy chokes. Wooden pulleys in elevator heads are extremely hazardous and if used at all, bound to eventually cause trouble. Elevator belts rubbing on the wooden sides or boots and belts rubbing on wooden posts or spouts should also be guarded against.

It would seem then that a careful checking up of possible causes would prevent the majority of fires caused by friction.

SPONTANEOUS COMBUSTION

We hear a good deal about the likelihood of spontaneous combustion though it would seem that the larger mills and elevators suffer more from this. Heating of grains in bins or feeds such as dairy rations with an excess moisture content are the principal offenders while the danger from baled hay during the sweating period is well known.

Fires from electrical equipment and power plants are largely preventable if the installation is correct and the rulings of the underwriters followed. Dust explosions are frequently traceable to unprotected electric lamps, worn drop cords, blown fuses and switch sparks. Dust on lamps has also been known to start a serious fire.

While the majority of us scoff at lightning rods, it's a proven fact that out of a number of fires investigated by the insurance authorities and which were known to have been the result of lightning striking the buildings, not one plant had been rodged.

It is unnecessary to state that all parts of the elevator and premises should be kept absolutely clean if we wish to discourage fire. Rubbish

should be disposed of promptly and not allowed to accumulate while grass and dry weeds surrounding the place should be kept down.

Fire doors should be installed wherever deemed necessary not only for the protection of your property but on account of the saving they will probably make in your insurance rate.

While the majority of these causes may be charged to a certain extent to carelessness; smoking and useless lighting of matches should not be tolerated.

EXTINGUISHERS AND OTHER SAFEGUARDS

The insurance people require your having water barrels and buckets and perhaps this is the small elevator's cheapest and best method of protection. Note that they require these to be "conveniently located" and "ready for use." Their use is simple in the extreme and understood by everyone while the likelihood of their freezing may be guarded against by the use of common salt mixed in the water. The rule seems to be about four pounds of this to the gallon of water. The chief objection seems to be that after a period of time the mixture is apt to become foul and to require changing. Calcium chloride guards against this nuisance, the commercial grade being used and mixed with the water, stirring it frequently until entirely dissolved. Where the extreme of tempera-

ture is apt to drop as low as 40 degrees below zero, five pounds to the gallon is required for protection, while for 10 below, three and a half pounds will do, and so on.



VIEW FROM THE ROOF SHOWING THE WASHBURN CROSBY "A" MILL FIRE

One or two of the so-called soda and acid type extinguishers are a necessity on account of the ease with which they can be carried to the blaze.

Especial care should be taken however to see that they are protected against freezing, also that they are discharged, cleaned out and refilled once a year, the best plan being to tag each with the date when done. Water being one of the ingredients of the mixture with which they are filled, this type should not be used in case of electric arc fires.

The carbon tetrachloride extinguisher is turned out for fires of this nature; carbon tetrachloride not being a conductor of electricity. The one or two quart size would seem to be best and one should be kept in the motor or power room. Test these out at least twice a year as they are more apt to give trouble than the soda and acid type, the nozzles having a tendency to corrode and the pump to dry out and not operate.

The "foam" type which when directed at an oil fire spreads a layer of foam over the oil; shuts off the oxygen and effectively checks the blaze.

SUMMARY

Summing it all up, it would seem that cleanliness and a prevention of all possible causes would come first but that ample equipment should be conveniently at hand and maintained in perfect order with all employees instructed in its proper use.

An elevator fire is usually a small blaze checked in time or else a total loss if it is once allowed to get beyond the initial stage.

SIDELINES AID INDIANA DEALER

To most of us who live in the vicinity of Crown Point, it is a romantic place—frequently mentioned in the press as a place to which amorous couples flee to get married. But like many other places which are associated in the public mind with certain things, it really has a much more important place in the Hoosier scheme of things than its romantic reputation would indicate. It is a business center and the commercial side of life really is Crown Point's most important side. Located within easy access of grain and in the fertile Indiana area, a grain elevator is indispensable. Therefore, the house operated by E. K. Sowash at this point is a definite asset to the city and the surrounding country.

In 1897, E. K. Sowash started in the grain business, working for Goodrich Bros. Hay & Grain Company at New Castle, Ind., and in 1900 he went to Middletown, Ind., and worked for J. P. Shoemaker on a profit (and loss) sharing basis until 1906, in which year the Daniels & Pickering Company was organized, and the two establishments were consolidated. In 1910 the management took over the Sulphur Springs Elevator and the Broad Street Elevator at New Castle. These were operated until 1915. The elevators were then divided and Mr. Sowash took back his plant in Middletown, operating it as an individual until 1922, at which time he acquired the Crown Point house which is shown in the accompanying illustration. He afterward sold the house at Middletown.

In Crown Point, E. K. Sowash handles from two to 3,000 tons of hay and straw annually and finds it a profitable sideline, "if", he adds, "you know something about the hay business." The grain business also prospers at Crown Point—and he might well add the same stipulation in this connection—you have to know the grain business these days too, to make it profitable.

The dimensions of the Crown Point elevator are 30 by 40 feet, with a 12-foot driveway, and there is a 5,000-bushel crib attached. It is situated adjacent to the right of way of the Pennsylvania Railroad, thus affording excellent transportation facilities for both out-going and incoming grain products.

The house is of cribbed construction and has a storage capacity of 40,000 bushels, which is divided among 11 units. The receiving capacity is 1,000 bushels per hour, and the elevator is equipped with two grain cleaners.

A Western Corn Sheller which can handle 450 bushels per hour has been installed, as has also a feed grinder which has a capacity of two tons per hour. Electricity is used for power, and there are three motors which have an aggregate of 42½ horse-

power. Belt drives are used. Four scales comprise the necessary weighing facilities, and these include a 17-ton truck scale, a 200-bushel hopper scale, a 3,000-pound floor scale and a 1,000-pound portable scale. Fairbanks, Morse & Co. made the latter two.

There is also a Barnard & Leas Feed Mill converted into a cracked corn cutter, as well as a grader and an aspirator in the elevator. The principal grains handled are corn, wheat, oats and barley. When there is a normal crop the elevator generally handles about 150,000 bushels of grain in the



E. K. SOWASH'S ELEVATOR, CROWN POINT, IND.

course of a year. In addition to the grain business sidelines are merchandised, the chief among these being hay, straw and fertilizer.

Two plants are operated under the ownership of E. K. Sowash, this one at Crown Point, Ind., and another which is located at Aylesworth, Ind.

Floyd Myers is superintendent of the Crown Point house.

TRANSFER HOUSE LEASED

Announcement has been made by J. J. Mullaney, of Sioux City, Iowa, that he has signed a lease with the Chicago & North Western Railroad, covering the property formerly known as the Akron Mill.

This property is being rebuilt by the John S. Metcalf Company of Chicago and when completed will

have a storage capacity of 125,000 bushels. The elevating capacity will be 12,000 bushels per hour there being two legs of 6,000 bushels each. Grain will be moved to the storage bins by two 6,000 bushel capacity conveyors. The plant will be equipped with a 120,000-pound capacity scale and with grain cleaning machinery of the most modern type.

The feed warehouse is being completely remodeled, and the latest type machine for manufacturing and handling all kinds of feed is being installed.

Mr. Mullaney started in the grain business in 1893, at Beresford, S. D., later moving to Hawarden, Iowa, and coming to Sioux City in 1908. He now operates 20 country elevators in Iowa, South Dakota and Nebraska, and it was due to the rapid increase in the volume of his business that the leasing of the Northwestern Elevator was necessary. In addition to handling grain of his own origin Mr. Mullaney also handles consignments and buys from other dealers in this territory.

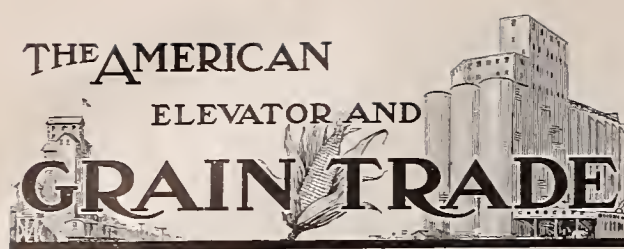
J. C. Mullaney is general manager, F. O. Lenoir will be in charge of the consignment and track grain department and the feed department will be managed by John T. Ashford. A. P. Meyers will handle the coal and accounting departments.

DATA ON COMBINE WHEAT TO BE RELEASED

A field study of the Department of Agriculture of the wheat harvested with the combine harvester thresher in the North Central States is nearing completion, it was stated September 25. The Bureau of Agricultural Economics established a complete testing laboratory at the agricultural college at Fargo, N. D., where samples of "combine" wheat gathered by representatives of state departments have been submitted for analysis.

These samples represented the effect of the combine on quality and condition of grain, on harvesting losses, on storage and cleaning problems, and on grain harvested under damp conditions. The Department officials co-operated with various divisions of the agricultural colleges in three states. The data gathered are important to farmers in the area covered, because combine harvesting is rather new in the North Central States, the combine having been used extensively in this area for the first time this season.

Conditions in that area with reference to weather and weed seeds introduce some troublesome features which were not encountered in the Southwest, where the Bureau of Agricultural Economics conducted investigations last year.



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Official Paper of the Grain Dealers National Association and of the Illinois Grain Dealers Association

CHICAGO, ILL., OCTOBER 15, 1928

ACCELERATED TRADE

IF THE prediction of Midwest Shippers Advisory Board can be accepted as accurate, grain dealers will be about 10 per cent busier from now until January 1, 1929, than they were in the closing quarter of 1927.

Comparing the probable rail shipments in October, November, and December, 1928, with the actual figures in the corresponding months last year, the board declares that the expected increase in call for grain cars is $9\frac{1}{2}$ per cent. A 20-per cent decrease from last year is expected in the number of cars shippers will draft to haul hay and straw.

Increased activity in grain shipping is only one threat to the grain man's leisure in the fall. Trade in coal, feed, and other autumn or winter season sidelines now is fast approaching its peak.

CAPACITY-LOAD PROPAGANDA

POSTERS and bulletins are being used by the car service division of the American Railway association, in an effort to induce grain shippers to load box cars up to the limit of capacity. What the railroads are driving at, of course, is increased revenue per car, but their appeal is based on the assertion that cars loaded to capacity will reduce demurrage and switching charges, and expense of handling.

Usually, however, if a car is filled to the capacity its stencil indicates, the grain will mount so close to the roof of the car that sampling cannot be accomplished satisfactorily when the car reaches the terminal market. The grain

trade, of course, is willing to assist carriers in getting maximum service from their rolling stock, but it cannot subscribe to a loading theory that must have been developed by swivel chair executives completely out of touch with the practical requirements of the grain trade at terminal points.

By following the suggestion of the railroads, the shipper burdens himself with a hazard of inspection delay which the railroads have no right to force him to carry. Loading-to-the-limit is all right for commodities not subject to the type of inspection that grain stands, but it is a rule that grain men can accept only if they surrender their rights. The right to have a 24-inch space at the top of grain cars, to allow for the proper drawing of samples, was secured from the railroads only after much effort. Grain cannot be loaded to the roof of the car unless the shipper is willing to allow his property to stand ungraded on a siding, perhaps for a week, at his risk and expense.

BOSTON AND PEORIA

THE large and enthusiastic attendance at the annual convention of the Grain Dealers National Association in Boston this year, demonstrated the fact that a seaboard city has approximately the same pulling power as a grain belt metropolis. The organization now is greatly strengthened in the East, while it has lost nothing of its power in the Middle West, where its position always is strong. The meeting also demonstrated that the Boston hosts are past masters at the art of handling and entertaining a convention, and appreciation of this fact is so current that it need only be mentioned in passing.

Next fall, the convention city will be Peoria, Ill. This city is the home of many veteran grain traders in whose hands arrangements for the 1929 meeting now rest. Geographically, Peoria will admirably balance Boston as a convention city, and the association made a strategic move in following up the eastern meeting with the Peoria announcement. What the Illinois city lacks in harbors, submarines, and rear admirals, will be offset by its grain storage plants, its central location, and its desire to fully match the high standards set by other convention cities.

ANGLES OVERLOOKED IN THE ARGENTINE GRAIN TARIFF ARGUMENT

BY THIS time grain dealers are well acquainted with one angle of the proposal which has been forced to the front in Washington, involving a raise in the duty of Argentine imports: An increase of 50 per cent above the present 15-cent per bushel tariff on corn.

The proposal against which Manuel Malbran, Argentine ambassador, has protested, however, includes a raise in duty on flaxseed which already carries a 40-cent import tax. It is chiefly against this latter proposal that the ambassador's protest is aimed. We are always suspicious of rider clauses, especially when they are not much talked about, and it will be unfortunate, certainly, if the corn duty increase fails to win because the flaxseed rider clause is

thought to be unreasonable. In Congress, as well as in other places, rider clauses frequently have been used to kill measures otherwise sound.

Argentina has shipped annually to the United States about 16,000,000 bushels of flax seed over the last five years. As long as the domestic demand remained high the northwestern farmer did not feel the competition greatly. With the falling off of building and other sources of use, however, the situation has changed. The imports act as a price depressant and the Northwest is demanding more adequate protection. This is an excellent thing from the domestic viewpoint.

There is, however, another side to the story. American manufacturers are determined to hold the share of the South American trade which has been theirs since the World War and reconstruction troubles affected both Germany and Great Britain. Incidents such as the proposed tariff increases are not likely to make their path an easier one.

The choice will have to be made, therefore, between the American flax raiser and the manufacturing exporter. In this case, the decision should go to the farmer; but it will be no less welcomed by the foreign manufacturer in the struggle to recover the commercial supremacy which was his before the hectic days of 1914.

CLOSE COUNTS ON GRAIN

CUT-and-dried is a term that cannot be applied to the entire 1928 crop as yet, but it does apply to the Federal crop report of last week, which showed only a few relatively unimportant changes in grain volume, as compared to previous forecasts.

The corn crop now put at 2,903,000,000 bushels, represents only a 1 per cent decrease from the September estimate, while the wheat production figure, 903,865,000 bushels, involves an increase of not quite 3,000,000 bushels over the last forecast.

The production of oats is forecast at 1,452,966,000 bushels, nearly the same as that scheduled a month ago, but it is to be noted that this volume is nearly 270,000,000 greater than that in 1927. Yields of barley appear to have averaged fully up to expectations and the crop is estimated at 350,593,000 bushels, more than 86,000,000 bushels higher than last fall.

Buckwheat seems to be the only crop which has fooled the estimators by any considerable percentage. Dry weather has reduced the showing of this grain both in New York, and Pennsylvania, and the crop now is slated at 14,804,000, which is 700,000 bushels or about 5 per cent below the forecast last month.

The 1928 wheat production in 30 foreign countries is reported at 2,331,067,000 bushels against 2,123,595,000 bushels in 1927 or an increase of 9.8 per cent, it was stated October 10 by the Crop Reporting Board of the Department of Agriculture. The United States crop is 903,865,000 bushels. The threshing of the Canadian crop, estimated at 550,482,000 bushels is progressing rapidly and is nearing completion. Wheat marketed in Manitoba has graded mostly No. 2 and No. 3 Northern, although there is a fair proportion of No. 1.

EDITORIAL MENTION

Rye in wheat is an unnecessary waste. It lowers the grade, decreases the price, and brings, unjustly but surely, ill will from the grower to the dealer.

Poles, as well as Americans had luck in oats this year. The current estimate for Polish oats is 267,107,000 bushels, 12 per cent above the 1927 crop which was the greatest ever recorded.

Weather is an uncontrollable factor, but seed is not. The elevator manager who makes high quality seed available in his community, helps insure his company against a poor season next year.

By our next issue, the 1928 general election will be history, and the grain trade probably will be more interested in the December future, than in the March future for Whitehouse delivery.

Rice production is forecast this month at 39,000,000 bushels, compared to 44,000,000 bushels last year. Harvest is well under way, but yields are considerably below the high records of 1927.

Moving an average of 10,000,000 bushels of wheat daily, western railways in Canada, already have reached peak operations. Previously, the peak came about October 23, but that was B. C.—Before Combine-harvester.

The world must be fed; domestic wheat in store and afloat at United States markets at the close of the week ended October 6, amounted to 122,122,000 bushels, as against 113,815,000 bushels for the previous week and 84,052,000 bushels for the corresponding period in 1927.

This month a new speed record for unloading grain was made at the International Elevator in Buffalo; 424,876 bushels of barley were unloaded from the vessel *Augustus* in 10½ hours. We understand this is about the equivalent of running the 100-yard dash in 10 flat.

Forty dollars is a high price for a bushel of wheat, but that is the sum offered for the best 60 pounds grown in Montana this year. Corn seems to rate even higher. A single ear of corn, the prize winner at a corn show in Sioux City, Iowa, this month, was sold to the Chamber of Commerce there for \$160.

Some of those who reaped a golden harvest in Nebraska corn trade last year, are finding that the law of compensation is working overtime this season. A friend of ours whose elevator is at Loretto, states that three inches of rain has fallen on his ranch in about a year. Corn rates about zero, and his oats figure out about eight bushels to the acre.

Give the railroads credit where due. In 1927, according to reports filed with the freight claim division of the American Railway Association, only 9.5 per cent of claims required

more than 90 days for adjustment. Of the 90.5 per cent adjusted within three months, 73.4 per cent were settled within 30 days. Not all the credit belongs to the railroads, for the grain trade and other industries, through organizations, have been active in the speed-up work.

Aboard the submarine *S-19*, near the bottom of Boston harbor, two Illinois grain men, on September 26, closed a trade for 50,000 bushels of corn for December delivery. This is the first transaction made under such conditions, and probably will be the last until the Grain Dealers National Association holds another convention on the seaboard.

The Interstate Commerce Commission will start the new year right, as announcement has been made this month that the tentative brief on the Hoch-Smith grain rate inquiry will be made December 31. Reply briefs will be filed by February 15, 1929. Hearing on this case (Docket No. 17,000, Part VII) was begun in May, 1927, and it was in July, 1927, that people began getting tired of hearing about it. As a taxpayer, though, who has paid his money, we are determined to see the show through.

Traveling around in these pre-election days, we notice sentiment among grain dealers is somewhat pro-Hoover. On the other hand, we have consulted our circulation manager who tells us we have about 50 subscribers named Smith. This started us on research work which disclosed that there are nine telephone book pages of Smiths in Chicago alone. This is an angle to the campaign which we feel has been overlooked, while minor matters such as farm relief have been talked to death. The question is, will the average Smith, be he even a Baptist Mason, and Republican, double-cross his own kin on November 6? We are going to write A. W. Smith, a subscriber of ours in Wakefield, Kan., asking for his opinion, before listening to any more betting offers.

Freight trains today are bigger, speedier, and with the current crop, busier than ever. The average loaded freight car in 1927, carried 3,000 pounds more of products than in 1917, according to L. A. Downs, president of the Illinois Central System, who last month reviewed the freight progress achieved on his line. The average speed of freights has increased considerably over the 1917 norm, and with the naming of fast freights, the old joke about the Englishman receiving points to stories "by freight" has been made obsolete. The increased size and speed has produced another noteworthy result. The amount of service performed per "train-hour" increased from 7,714 tons in 1917 to 9,881 tons in 1927. Allowing for changes in the value of the dollar, the freight train is a cheaper, as well as a more efficient means of transporting long haul grain shipments than it was 10 years ago.

On September 28, the talking-movie department of the Fox Film Corporation recorded by camera and movietone equipment, the wheat loading activities at the port of Portland, Ore. The rattling sound of the grain rushing through the spouts, the purr of grain on grain as a ship-

hold compartment was filled, whistling signals and all the other dockside sounds were synchronized perfectly with the operations shown on the screen. One mishap occurred. A stevedore got within range of the sound receiver, and without realizing that his words were about to be recorded for posterity, pointed his finger at a swinging spout, and warned a fellow worker to beware in this wise: "You crazy — — —! Watch the bloody pipe! She'll knock — out of a little — — like you!" Two-hundred feet of film had to be cut over the objection of a cameraman who maintained that it was just a good human interest touch.

One of the great dangers to which farmers' co-operatives are exposed has been realized by the grain growers of Canada since their co-operative company held over their huge surplus of wheat from the crop of 1927 to be sold in the season of 1928. With another crop of around half a billion bushels at hand, they have in prospect another surplus to add to the carry-over. Menaced by a double Canadian surplus, down went the price of wheat, not only in Canada but in the United States and Europe. The probability is that Canada will realize less in the aggregate from the 1927 surplus and the 1928 crop combined than it would have realized by selling the 1927 surplus early.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912.

Of AMERICAN ELEVATOR AND GRAIN TRADE, published monthly at Chicago, Ill. for October 15, 1928.
State of Illinois }
County of Cook } ss.

Before me, a notary public in and for the state and county aforesaid, personally appeared A. J. Mitchell, who, having been duly sworn according to law, deposes and says that he is the Business Manager of the AMERICAN ELEVATOR AND GRAIN TRADE and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:
Publisher, Mitchell Brothers Publishing Co., 431 South Dearborn St., Chicago, Ill.
Editor, Richard Pride, 3525 North Racine Ave., Chicago, Ill.

Managing Editor, Richard Pride, 3525 North Racine Ave., Chicago, Ill.
Business Manager, A. J. Mitchell, 4820 Kimbark Ave., Chicago, Ill.

2. That the owner is: (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding one per cent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a firm, company, or other unincorporated concern, its name and address, as well as those of each individual member, must be given.)

A. J. Mitchell, 4820 Kimbark Ave., Chicago, Ill.
A. H. Mitchell, 4818 Dorchester Ave., Chicago, Ill.
Sheridan Trust & Savings Bank (Estate of John E. Bacon), Chicago, Ill.

M. B. Mitchell, Ottawa, Ill.
John W. Mitchell, Washington, D. C.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.)

None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest, direct or indirect, in the said stock, bonds, or other securities than as so stated by him.

5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the six months preceding the date shown above is: (This information is required from daily publications only.)

A. J. MITCHELL,
Business Manager.

Sworn to and subscribed before me this 24th day of September, 1928.
[SEAL]

W. F. WARRICK,

(My commission expires May 8, 1932.)

H. C. GAMAGE
Kansas City

NEWS OF THE TERMINAL MARKETS

H. I. BALDWIN
Decatur

FUTURES MARKET OPENS IN VANCOUVER

On September 17 the grain futures market was opened in the Vancouver (B. C.) Merchants Exchange. Wire connection with Winnipeg opens at 6:30 Vancouver time and the dealers at the latter market must be ready at that time for business. Those brokers who have wire connections with the stock market of New York have their wire connection open at 6 o'clock in the morning.

NEW PARTNERSHIP AT DECATUR

A new partnership to merchandise, receive and ship grain and soy beans at Decatur, Ill., has been formed by C. L. Leiss, formerly of the Evans Elevator Company of Decatur, and John W. Hook, formerly secretary and treasurer of the Wells Oils Company, Decatur. The new firm will operate under the name of The Decatur Grain & Elevator Company.

The office of the new firm will be at 207 New Suffern Building, Decatur, Ill., and as the firm has purchased the Shellabarger Concrete Elevator, located on the Illinois Central and the Pennsylvania Railroads, they are well equipped to take care of all grain and beans offered.

COMMITTEE INVESTIGATES CHICAGO GRAIN STORAGE

On September 18, directors of the Chicago Board of Trade authorized the appointment of a special committee by President Samuel P. Arnot to broadly consider all phases of the public elevator problem and seek to determine the best means of its solution.

This action follows failure of the Illinois Commerce Commission to grant a license to the new corporation formed by the exchange under the law passed by the last legislature.

The resolution follows:

"Whereas, The Illinois Commerce Commission has refused to grant a license to the recently created Board of Trade Warehouse Corporation to operate public elevators under the McCarthy Law passed at the last session of the legislature and has likewise refused to grant a re-hearing on our application for said license; and

"Whereas, the public elevator operators of Chicago and Directors of the Board have up to the present time been unable to present or to agree to any plan for a new set-up that would make it probable that a license could be secured from the present Commerce Commission on a new application,

"Therefore, be it resolved, by the Board of Directors of the Board of Trade of the City of Chicago, that a Members' Committee be appointed by the president to investigate and report to the Board of Directors its opinion as to the feasibility and desirability of:

"First: The Board of Trade to build or lease, and operate, or enter into contracts with others to operate public elevators in Indiana or Wisconsin, or to secure the erection and operation of such elevators by the railroads or other outside interests.

"Second: That deliveries on future contracts on the Chicago Board of Trade may be made at outside concentration points on the basis of established differentials, as well as at Chicago, or exclusive of Chicago.

"Third: Any other plans or method that may offer a solution of the public elevator problem."

James E. Bennett, regarded as exceptionally familiar with the elevator problem, heads the com-

mittee named by Mr. Arnot. The other members are B. A. Eckhart, Harry A. Wheeler, Edward L. Glasser, C. Willard Hales, Frank C. Coe, and Lester N. Perrin.

WINNIPEG ELECTION HELD

At the annual election of the Winnipeg Grain Exchange, James A. Crowe, secretary of the British Empire Grain Company, Ltd., was chosen to serve as president. By their action, the members have put the presidency in the hands of one who is familiar with the activities of the exchange because of his father's, as well as his own, close association with it. In 1895, the senior Mr. Crowe served as president of the exchange.

Mr. Crowe entered the grain business in 1909 and since that date with the exception of the years of the World War, when he served overseas with the Canadian forces, has been with the British Empire



JAMES A. CROWE

Grain Company. This company is well known in export circles in the Canadian grain trade.

Mr. Crowe succeeds E. W. Kneeland as president of the exchange. The other officers are: W. A. Murphy, Reliance Grain Company, Ltd., re-elected to vice-presidency; E. W. Kneeland, second vice-president; The Council, N. J. Breen, R. T. Evans, J. C. Gage, Henry Gauer, C. E. Hayles, N. L. Leach, C. H. Leaman, A. C. Michael, D. C. MacLachlan, A. C. Reid, A. Thomson and A. P. White; Committee of Arbitration, C. E. Eggleston, R. T. Evans, F. O. Fowler, Herbert Sellers, A. Thomson, C. Tilt, A. P. White; Committee of Appeals, N. J. Breen, John Fleming, J. C. Gage, A. K. Godfrey, W. E. Reid, J. A. Richardson and S. T. Smith.

INDIANA AFTER CHICAGO GRAIN BUSINESS

Telegrams and letters from towns in Indiana urging the establishment there of public elevators were received by James E. Bennett, chairman of the special committee studying the elevator situation, after public announcement of the committee's purpose.

The drive of Indiana towns for a part of the Chicago grain business follows instructions of the exchange directors to the committee to report on the desirability of having elevators in Indiana and Wisconsin.

Such steps would free the exchange of the handi-

caps incident to the refusal of the Illinois Commerce Commission to grant a license to the Warehouse Corporation organized in compliance with the new state law.

"Avoid further difficulties in years to come," the LaPorte Chamber of Commerce wires President Samuel P. Arnot and the committee. "Establish elevators in northern Indiana. Only 80 minutes from Chicago. Several railroads. Favorable laws. Many desirable sites adjacent to rail sidings. We will gladly give land and 100 per cent co-operation. LaPorte invites you to investigate."

Urgent bids for consideration, some containing descriptive details of sites available, were received from Michigan City, Hammond, and other points.

Chairman Bennett said northern Indiana's industrial district, with its network of rails and its excellent switching and harbor facilities, offers unusual opportunity for future expansion of Chicago grain business.

"This business," Mr. Bennett said, "is now restricted by great congestion in the immediate Chicago district. Hence there is merit in giving serious consideration to this phase of the question.

"Harbor facilities of Chicago proper and the Calumet district have not kept pace with growth in lake traffic, nor with development of the Welland Canal. That channel is being deepened to 24 feet by the Canadian Government, with locks equalling those at Sault Ste. Marie, capable of receiving the largest lake traffic. The grain trade demands better facilities. We must look to our future."

It was pointed out that the Chicago rates, free of switching charges, apply to such principal points in Indiana as Roby, Whiting, Indiana Harbor, East Chicago, Grasselli, Gibson and Hammond.

PROVISION MADE FOR SECURITY TRADING

Following the decision of the Board of the New York Produce Exchange to permit the trading in securities on the exchange, a number of changes in the by-laws were submitted by the Board of Managers to the members. The changes include definite authority giving managers full power to alter, make and amend rules for dealing in securities.

Rules in force regarding commodity trading will be unchanged.

SIoux CITY EXCHANGE ACTS AS HOST

Last month the Sioux City Exchange were hosts at a buffet luncheon given to the business men of Sioux City at which time a program was offered acquainting them with the grain business at Sioux City. The guests were also given an opportunity to inspect the new quarters of the Exchange.

A short program of five minute talks were made by Charles Flanley, Hon. T. B. Huff, J. C. Mullaney, H. S. Nevillier, H. C. Wilson, S. P. Mason, M. King, F. A. Bean, and Paul Larson. In these addresses many phases of the grain trade were touched upon and the Sioux City business men went away with a much fuller realization of what the trade meant to the city.

CHICAGO BOARD POST BUGLERS GO TO TEXAS

The Texas State Fair will be officially opened with a program by the Drum and Bugle Corps of the Board of Trade Post of the American Legion.

This was announced recently by Commander John Fisher on receipt of a telegram from the Dallas Business organizations. Members of the Board of

Trade Post with their Drum and Bugle Corps of 60 pieces left the Union Station, Chicago, recently by special train, enroute to the national convention of the American Legion at San Antonio, Texas. Their first stop was Kansas City, where they paraded with members of the Kansas City Post and a motorcycle squad before carrying out a program on the trading floor of the Kansas City Board of Trade. The Board of Trade delegation included more than 100 people.

VOLUME OF GRAIN FUTURES TRADING IN SEPTEMBER

The total volume of futures trading in September on the Chicago Board of Trade was nearly 600,000,000 bushels less than in August. The September figures were 1,062,209,000 bushels, divided among the various grains as follows, for the purpose of comparison the August figures being given in parentheses: Wheat, 628,301,000 bushels (919,034,000); corn, 345,894,000 bushels (570,497,000); oats, 48,841,000 bushels (77,720,000); rye, 39,173,000 bushels (36,971,000).

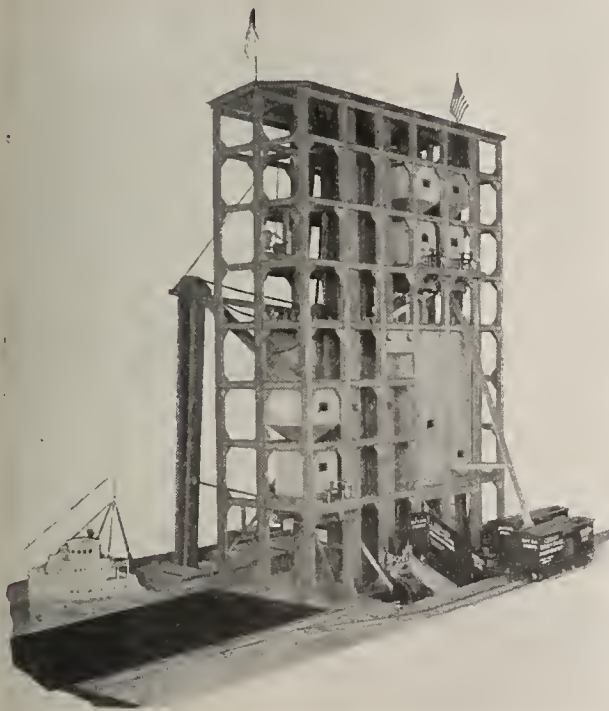
The average open contracts in futures at Chicago in September, "short" side of contract only, there being an equal volume on the "long" side, were: Wheat, 114,061,000 bushels, compared with 80,043,000 a year ago and 111,279,000 in August; corn, 77,168,000 bushels, as against 69,773,000 last year and 79,207,000 in August; oats, 29,562,000 bushels, compared with 35,944,000 a year ago and 26,765,000 in August; rye, 10,431,000 bushels, as against 10,645,000 last year in September and 9,005,000 in August of this year. The total average open contracts in all grains in September were 231,222,000 bushels.

A MINIATURE ELEVATOR

By J. A. SCHMITZ

Chief Weighmaster, Chicago Board of Trade

The unqualified success of a previous miniature elevator prompted me in planning and designing a more complete one, that would not only show the



CHICAGO BOARD OF TRADE'S MODEL ELEVATOR

modern method of unloading grains from box cars, but would also give a physical demonstration of how vessels are loaded and unloaded. I have long been convinced that a working model, so constructed that it would do the actual work performed by a commercial elevator, would best illustrate the methods of handling grain that are in vogue.

The present model was made by employees of the Chicago Board of Trade Weighing Department. Many problems confronted us because of the diminutive size of the machinery, particularly the scales. Various metals were used in the construction of the elevator and vessel, not only steel, aluminum, brass, bronze, but also monel metal and alleghany metal were used. Thousands of holes were drilled; thousands of bolts and rivets were fastened or driven.

In fact the exact number of the rivets driven is 10,772 and 2,152 bolts were used in the construction of the elevator and its machinery. This is aside from the bolts and rivets used in the box cars and in the boat. The "reduction" of the model is 2,000 to 1; this "scale" was carried out with few exceptions, such as electric light bulbs, motor and several minor parts; the proportions of the scales, elevating machinery, and freight cars is true within permissible tolerances.

The scale mechanics employed by the department worked on the model in their spare time during the past three years. They have been keenly interested in it and the finished product is a credit to their workmanship. A tabulation of the essential component parts of the model are: One unloading car dumper, three freight cars, three elevating legs, one marine leg, three hopper scales, one boat. As all materials used were selected for their fitness and permanency, the model should last indefinitely. All during the construction we have had splendid co-operation from the members of the Weighing Committee and I know these gentlemen are as proud of, and as pleased with, this miniature elevator as I am.

PEORIA CORN MARKET GOOD

The Peoria market has been a good one for corn for the past month and the local industries which are now needing approximately 80,000 bushels daily have been able to run at full speed. The arrivals have been very irregular—some spells of very liberal quantities and others very light, but taking it all in all, enough corn has been coming here to supply the demand. For some little time now the arrivals have been very light but we are expecting an increase within a few days and in addition to this the new corn is moving to the extent of several cars daily with prospects of an almost immediate increase in the new corn. This is very early in the season.

The new corn is coming in of fine quality, moisture ranges from 19 to 32 per cent with a bulk of it around 25 per cent and the industries are taking hold of it at prices that are rather better than our competing markets. With good weather we expect a run of new corn will soon be in fairly liberal proportions. So far as prices are concerned we think the Peoria market will show values that will easily compete with the western primary markets.

The movement of oats has been very light here as it has been everywhere. There has been just about enough coming to supply the very limited demand. The past few days values have declined somewhat and are now just about on a par with the other markets with a demand to take more than are coming here at present. There is nothing of consequence doing here in wheat.—P. B. & C. C. Miles, Peoria, Ill., market letter of October 10.

COARSE GRAIN TRADE QUIET

Trade in coarse grains in this market is very quiet at present. The holes caused by the scarcity of old crop oats have been filled up and with home grown crops larger than usual in the East this year, the demand is rather stagnant. On the other hand the movement from the country remains light so that price change has been small. We do not anticipate any material improvement in oats demand until around the first of the new year.

The trade in corn is distinctly of a hand to mouth character. With the movement of the new crop getting closer every day, there is a reluctance to pay present premiums for old corn. Stocks are being allowed to run down to a minimum and this will result in an excellent demand for the first movement of new corn and it is expected that much the same condition will prevail as was the case when the oats moved, namely that it will take several weeks of movement to catch up with the condition caused by the extreme scarcity of the old crop.

There has been a big trade in Durum wheat all fall. Due to the almost complete failure of Soft Winter wheat crop, manufacturers who usually use the latter class of wheat have been obliged to turn to Durum and in addition to this, for several weeks this class of wheat has been much cheaper than

corn which has increased its use enormously. Trade in milling wheat has quieted down after a brisk demand during September. Millers are expected to take hold again freely on any decline from present levels to provide for requirements during the winter when lake navigation is closed.—J. G. McKillen, Inc., Buffalo, N. Y., market letter of October 10.

NEW OFFICERS FOR MINNEAPOLIS MARKET

The annual election on the Minneapolis Chamber of Commerce was held on October 4 and W. J. Russell, vice-president of the Commander Mill Company of Minneapolis, was selected to serve as president. Mr. Russell served last year as first vice-president and a director of the grain exchange.



W. J. RUSSELL

He succeeds John S. Pillsbury, whose term expires on October 15.

The other officers are: George P. Case of Johnson, Case & Hanson, Inc., first vice-president; Charles T. Stevenson, second vice-president. The new directors to serve a two-year term are: H. G. Dickey of the Monarch Elevator Company, re-elected to the Board after serving as chairman of the Building Committee; W. C. Helm of the Russell-Miller Milling Company; P. B. Getchell of the Getchell-Tanton Company; F. Carleton Smith of the Minnesota Linseed Oil Company; Walter H. Mills of the Washburn-Crosby Company, Inc.

On the Board of Arbitration, the following will serve during the coming year: C. E. Lockerby, and J. H. Staddon; Board of Appeals, E. L. Doherty and M. W. Smith.

TOLEDO MARKET DULL—UNTIL NOV. 7

At this time we are experiencing considerable dullness in the cash grain situation in our market. We find similar conditions in other markets, that is, throughout the east.

The writer returned from the national convention at Boston, and on his way home visited other terminals and found conditions the same as experienced here, the trade claiming there is absolutely no demand at this time at the seaboard for coarse grains. However we look forward to a much better demand for all grains in the near future. We are now on the eve of a movement of corn which, it appears, will be very large from Ohio, prospects being so bright, and when this commodity starts to move there is no doubt but what considerable oats will also come out of the country. The movement of wheat has been extremely light and the demand poor. The arrivals in our market of late have been of rather poor quality containing a large percentage of heat damaged grains, and some cars also contain weevil.

At this time we believe the above does not only pertain to our line of business, but to all lines, which is usually the case just prior to a presidential election. We also believe that during the latter part of this year and the early spring we are going

to experience a good demand for wheat, corn and oats. Let's hope so.—*J. F. Zahm & Co., Toledo, Ohio, letter of October 10.*

PEORIA WHEAT MOVEMENT LIGHT

Movement of wheat in this territory lately has been very light. A good deal of the Soft Winter wheat has been shipped as the prices for that have been very good right along. The holdings now are mostly of the hard variety, and the price on this in the opinion of the producer is a little low and he is holding on.

Fall plowing is progressing rapidly and quite a little Winter wheat has already been sown, and some of it is already peeping through the ground. The weather for both fall plowing and seeding is ideal, and we look for about the same acreage as last year.

According to the Government figures we have raised a very good crop of wheat and it leaves quite a little for export, but we believe that the trade generally has forgotten that we started to export this wheat rather early and there may not be as much left as is generally expected. Also there is quite a little wheat which was damaged by wet weather and a good deal of this will be fed, which may also make quite a difference before the wind-up of the crop.

Receipts of old corn have been rather light here for some time past, and our cash market has kept pace with other markets, and on mixed corn our market has been way above the central terminal markets. New corn has started to move and in the last week we have had about 25 cars of new corn, with moisture contents of from 19.3 up to 36. Most of it, however, from 25 to 28. This corn has found a ready sale here to the industries at prices above all other markets. The corn is of good quality and most of it shows very good weight, but of course, as the weather here is just like summer, most of it arrives heating. We look for a good demand to continue here for both old and new corn.

Movement of oats has been fair and prices have ranged well compared to all other markets. The quality of the oats moving is a great disappointment to the trade. We were all figuring on getting plenty of No. 2 White oats with excellent milling quality, but it seems that the light rains at threshing time have changed all this, and No. 2 White oats are a scarce article. Farmers seem to be feeding considerable of them and do not seem at all anxious about the price. If this situation continues, oats no doubt will sell higher.

There is a demand here for good No. 2 and No. 3 malting barley from Illinois or Iowa, and it will be salable at prices equal to any market. The barley crop has also been a great disappointment both as to movement and as to quality, most of it being No. 3 or under and of doubtful quality.—*Mueller Grain Company, Peoria, Ill., market letter of October 10.*

ILLINOIS CORN LOOKS GOOD

Perfect weather for field work on the farms this week and everybody hard at it. Soya beans harvest now on—acreage larger than usual; quality good, yield around 20 to 25 bushels. Fall plowing progresses—soil in fine shape for it now.

The first car of new corn arrived at Decatur today; if one should judge from its appearance, we are to have a crop of good quality to handle when it gets dry, this is as expected. Of course, a few more farmers here and there are shucking some corn; this summer weather (89 here yesterday) is good for curing out this corn on the stalk, but there are few fields yet where the corn can be shucked and safely stored in cribs during this warm spell of weather—should that cold wave which we have heard so much about in states north of us arrive shortly it would put zest in the corn shuckers and this work will likely get into full blast here during the next week or 10 days.

The last Government report on corn indicates that Illinois will have something above an average crop of good quality. Should weather continue favorable one might expect a moderate movement of corn from this state in November as quite a

little is contracted for with premiums specified for early shipments. Our weather man predicts settled and cooler weather for a while, followed by our historical Indian Summer around last week in October and first week in November.

Demonstration showing how machines made for picking corn off the stalk quickly and thoroughly, have drawn good crowds this week. Farmers are leaning more to the opinion that this heavy, costly and laborous work will eventually be done by machinery, in fact some few corn pickers will be operated here on this crop. These machines save the women folks a lot of work too in caring for fewer helpers on the farm.

Oats are coming slowly to market out of country elevators—they are good test weight, but generally too much stained to grade No. 2.—*H. I. Baldwin & Co., Decatur, Ill., letter of October 13.*

DULUTH CASH MARKET SLOW

For the past few days our cash market has been slow on everything except choice quality grain. Premiums on protein Spring wheat as well as Durum have dropped sharply. Discounts on medium to low grade Spring and Durum variety have widened to the lowest point on the crop.

There is a good demand for choice oats but heavy discounts on the quality that is mixed with seeds and black oats.

Heavy weight barley is selling at top figures but other qualities are slow sale.

Rye with an ergot content has been a problem with the rye buyers so far this season. For a long time a large percentage of the receipts grade ergoty.

At the moment several of the elevators are congested but it is hoped that this situation will be relieved shortly.—*White Grain Company, Duluth, Minn., market letter of October 10.*

MARKET EASY AT PITTSBURGH

Receipts of oats in our market have been much lighter and in spite of this, stocks have remained about the same in the elevators as the demand is falling off considerably, and an easy situation exists.

The major portion of the oats arriving are grading No. 3 Whites, very few No. 2, and only an occasional car of No. 4 White oats, on account of being slightly musty.

Values here have been ranging just about in line with other markets. Country points seem to be selling more oats in the past few days than for some time, and it can be expected that a run of oats should come along this month, before corn starts to move in volume.

Reports generally convey the idea that country elevators are pretty well supplied with oats, and consumers and eastern dealers are likewise well supplied at this time, they having bought early and stocked up more or less.

Corn receipts here have been fair, and an occasional car of new corn, dried, arriving, but the market value of this grade of corn is very uncertain and the values on the same grade run as much as 5 cents per bushel difference, according to buyer's individual ideas of quality.

Some new dried corn offered from country points for five and ten days shipment; the prices asked are generally higher than buyers are willing to pay, excepting some minor cases.

The demand continues fair for old corn of No. 2 Yellow quality and No. 3, the lower grades being hard to sell, even at the prevailing discounts. There is slight premiums obtainable for spot corn over five days shipment from country points, and we look for this to continue.

Buyers are taking on all grades of corn on a hand to mouth policy, and this can be expected to continue.

There have been quite a few shippers writing in requesting information about an outlet for ear corn.

Shipments of this commodity cannot be encouraged, or in fact recommended in the least degree at this time. It will be some time before the trade will be in position to take on ear corn in any quantity, and it has to be cold weather before they even think of buying.

We do not expect that there will be as much ear

corn shipped into the eastern territory as there was last year, as there is a fairly good crop of corn, and it would appear that the demand for ear corn has been diminishing each year.

Transportation by the railroads is in fairly good condition, but a slight slowing up has been noticed the past week, on account of increase in carriers business.—*Harper Grain Company, Pittsburgh, Pa., letter of October 12.*

CHANGES IN MEMBERSHIP

Chicago.—The memberships of the following on the Board of Trade have been transferred: John L. Stegenga, Robert P. Clark, William D. S. Sanday, Charles D. Boyles, Walter H. Cunningham, Estate of Edward A. James, J. Powell Crebs, Arthur J. Bustin, Estate of Edmund D. Ledyard and James E. Hall. The following were elected to membership: Samuel M. Wright, Robert L. Edwards, William H. McDonald, Frank Lukes, Frank M. Palmer, John H. C. Albrecht, George W. Staats, Arthur O. Lowry, James J. O'Donohoe, Edward S. Galloway. John J. Martin was suspended on September 4. Reported by Secretary Fred H. Clutton.

Cincinnati.—New members on the Board of Trade, Inc., are William P. O'Shaughnessy and Seifried Wenz (associate). Reported by Secretary D. J. Schuh.

Duluth.—T. C. MacInnis and W. E. Fremont are new members of the Board of Trade and S. M. Sorenson and E. W. Lenhart have withdrawn their memberships. Reported by Secretary Charles F. MacDonald.

Wichita.—E. C. Jones is a new member on the Board of Trade. Reported by Executive-Secretary J. J. Mann.

TERMINAL NOTES

L. A. Underwood is no longer associated with the New York brokerage firm of Dreyfus & Co.

Lamson Bros. of Chicago have opened a wire in Milwaukee, Wis., with William Schroeder as manager.

Export grain is now being handled by the old firm of Maurice Pincoffs Company of Houston, Texas.

J. F. Bulger & Co., is a new firm operating in the Chicago market. J. Francis Bulger is at the head of the firm.

A. V. Jones, is now located at Kansas City, Mo. He was Federal grain supervisor at Hutchinson, Kan., for seven years.

A grain and feed brokerage business has been started at Portland, Ore., by Frank Ford, for years with the T. A. Riggs Grain Company.

W. J. Kopp has been made manager of the Wichita, Kan., office of B. C. Christopher & Co. He has been road man for this firm.

R. M. Bryan is now in charge of the grain department of the Vancouver Milling & Grain Company, Ltd., of Vancouver, B. C. He was formerly at Winnipeg, Man.

C. E. Jones of the C. E. Jones Grain & Elevator Company of Wellington, Kan., has moved his office to Wichita, Kan., and is a member of the Wichita Board of Trade.

Harry L. Wells is now in charge of the Quincy, Ill., office of the Bennett Grain Company. He has for nearly 10 years been telegraph operator for the grain company at Jacksonville, Ill.

Robert T. Browne has resigned his position with the Vanderslice-Lynds Company of Kansas City. He was in the consignment department and as yet no one has been appointed to succeed him.

The by-laws and trading rules of the Seattle Grain Exchange have been put into print and are now ready for distribution. Copies can be obtained by writing to the exchange, Chamber of Commerce Building, Seattle, Wash.

The Portland Merchants Exchange has adopted a rule that all mill-run deliverable under contract at the exchange shall be manufactured in Oregon, Washington, or northern Idaho, packed 80 pounds net in standard grain bags. This ruling will pre-

vent the delivery on exchange contracts of Montana mill-run, a considerable quantity of which is being marketed in that market.

The Berry Grain Company has been incorporated at Indianapolis, Ind., to buy and sell grain and other merchandise on consignment. Harry J. Berry, William A. Dorgan and George F. Off are interested.

The Board of Directors of the Baltimore Chamber of Commerce decided to appropriate a sum equal to that of last year toward the fund being raised by the Grain Exchange General Legislative Committee.

A. D. Keller has resigned as assistant manager of the grain and hay department of J. S. Waterman & Co., Inc., New Orleans, La. He is now with Benham & Co., Inc., as manager of the brokerage department.

J. E. Bohn is the Federal Grain Supervisor at Sioux City, Iowa, succeeding R. C. Wright who has gone to Kansas City, Mo. Mr. Bohn has been in charge of the Federal inspection office at Memphis, Tenn., for five years.

H. G. Lane & Co., brokers of San Francisco, Oakland, Calif., Salt Lake City and Ogden, Utah, and Portland, Ore., have closed their offices and a receiver has been appointed. Their liabilities are \$500,000 and assets, \$200,000.

W. H. McCarthy is now on the survey board of the grain section of the Toronto Board of Trade. He is manager of the Standard Milling Company and also a member of the grain examining board and the grain standards board.

The James J. O'Donohue, Inc., has been incorporated to operate on the Produce Exchange, New York, N. Y. James J. O'Donohue is president; George J. Fulie, treasurer. The latter was formerly with the Grain Growers Export Company, Inc.

In the first financial report of the N. Bawlf Grain Company, Ltd., of Winnipeg to shareholders, operation profits of \$465,903 were shown. The report covers the operation of the business by the old company of the same name to the end of the fiscal year, July 31.

Blanchard Randall is now head of the Art Commission of Baltimore, Md. He is senior member of the grain exporting house of Gill & Fisher of Baltimore. Under the supervision of the Art Commission, the new Baltimore Museum of Art is being constructed at Homewood.

George M. Buswell will cover North Dakota territory east of Minot for the Hallet & Carey Company of Minneapolis. For the past 15 years he has been with the Dodge Elevator Company as traveling auditor and prior to that was with the Victoria Elevator Company and Acme Grain Company.

A branch office has been opened at Fargo, N. D., for the Nelson Grain Company of Sioux City, Iowa. The company deals in grain stocks and provisions and will have the only direct private wire in North Dakota connecting with the Chicago Board of Trade. L. J. Nelson is in charge of the Fargo office.

Thomas R. Barrett with headquarters at Tower City, N. D., is now representing H. L. Hankinson & Co., on the trading floor of the Minneapolis Chamber of Commerce. He was for 12 years associated with the grain trade in the Northwest, representing Wm. Dalrymple and the Becher-Barrett-Lockerby Company.

Suit has been filed by the Kansas City Board of Trade against the Internal Revenue Bureau to recover \$3,054 alleged to have been illegally collected as capital stock tax between 1921 and 1926. The attorneys for the Board of Trade say that boards of trade and similar exchanges are exempt from capital stock taxation.

One hundred and sixty dollars were paid for a single ear of corn, the prize winner at the corn show at Sioux City, on October 5. The purchaser was the Sioux City Chamber of Commerce. Other prize corn sold for \$627.50 which has been donated to the Red Cross for use in the Nebraska and South Dakota tornado areas.

Charles M. Gray is traveling representative for the Gordon Grain Company of St. Joseph, Mo. He was associated with the Wolfers Mercantile Com-

pany of Hopkins, Mo., for a number of years later taking over the management of the Fortescue Elevator at Fortescue, Mo., where he remained for four years. He will cover Iowa, Missouri, Kansas, Nebraska and Colorado.

J. S. Campbell is now on a three or four months' trip to the Orient. Mr. Campbell is president of the Portland Merchants Exchange and a member of the Wilcox-Hayes Company, flour, wheat and lumber exporters. During Mr. Campbell's absence, A. E. Sutton, vice-president, will look after the activities of the exchange.

The Merchants Exchanges of Portland, Ore., and Seattle, Wash., have appointed committees to confer and develop a plan for adoption by both organizations for the regulation of commissions and brokerages of their member. H. R. Foster, A. Tuohy and H. D. Gee will represent the Seattle market and A. Chrystal, Paul Ostroot and J. H. Noyes, Portland.

Paul B. Eckhart is now associated with John W. Eckhart & Co., flour and grain jobbers on the Chicago market. Prior to the war, Mr. Eckhart worked for the firm but after returning from the army he entered other fields and was recently in the automotive engineering business. He will act in the capacity of general manager, assisting his brother, John W. Eckhart, president of the firm, in the purchasing and merchandising of the firm's products.

The grain futures market which opened on the Merchants Exchange at Vancouver, B. C., on September 17, is a division of the Exchange, but is self-governed with its own separate rules and by-laws. There are 75 members of the grain exchange. The active members have formed a company for dealing in futures, to be known as the Vancouver Grain Exchange Clearing Association. C. M. Oliver & Co. and the D. R. Davis Grain Company were parties in the first transaction on the floor.

NEW DEPARTMENT CHIEF

Eric Englund by virtue of recent appointment is now in charge of the Division of Agricultural Finance, Bureau of Agricultural Economics, United States Department of Agriculture. The appointment was made by Nils A. Olsen, chief of the Bureau.

Mr. Englund, born in Sweden in 1893, has been in the department for 10 years. Since 1927 he has been a special assistant to Secretary Jardine, dealing with economic problems of the post-war agricultural situation.

FRENCH WHEAT YIELD HIGH

The 1928 wheat crop in France is estimated at 277,669,000 bushels, 1,541,000 bushels above the 1927 crop, according to the first official estimate as cabled from the International Institute of Agriculture at Rome to the Bureau of Agricultural Economics.

The quality of this year's crop is good according to trade sources, the average natural weight being nearly 60 pounds per bushel as compared with only 55 pounds per bushel in 1927.

In the past six years the average yearly wheat requirement in France has been approximately 320,000,000 bushels. This would indicate an additional requirement this year of over 40,000,000 bushels to be imported but this average includes some years when economic conditions were unfavorable to importation.

In 1925 when domestic production went up to the record figure of 330,844,000 bushels, imports amounted to 34,023,000 bushels indicating a domestic consumption plus carryover of about 365,000,000 bushels, and in the past three years consumption has averaged 326,000,000 bushels. This includes two years of short crops, when deficiency of domestic production is not usually entirely made up by imports. These figures together with low wheat prices in other markets would indicate probable French imports to be nearer 50,000,000 bushels.

The 1928 rye production is placed at 35,352,000 bushels and is the largest crop since 1925.

TRADE NOTES

The Douglas Chemical & Supply Company of Kansas City, Mo., reports that large quantities of Tetra-fume (weevil killer) are being consumed in elevators and mills. Apparently not enough is used, however, for some of the terminal markets are reporting receipts of weevily grain.

It is a rare event to find an elevator which does not have the name "Fairbanks-Morse & Co., Chicago," on its scales equipment. It is doubtful if any commercial equipment has ever been more nearly made standard than the scales made by this firm, which probably made your grandfathers', also.

The big corn crop makes the importance of a reliable sheller and cleaner in the elevator of double importance this year. The Western Corn Sheller and Cleaner is doing yeoman service in many houses that are located in every part of the corn belt so its efficiency can be easily investigated under commercial conditions by any one interested.

A new type of double reduction power unit for elevator legs is being introduced by the Morse Chain Company of Ithaca, N. Y. The entire reduction unit is enclosed in an iron housing which is oil-tight. Engineers as well as elevator operators will be interested in the many strong features of this necessary part of the elevator equipment.

One of the portland cement companies is using full page advertisement in colors in some of the builders magazines in which they feature the Girard Point Elevator of Philadelphia, and the Wabash Elevator at Kansas City, built by the James Stewart Corporation of Chicago. It looks as if W. R. Sinks of the Stewart firm has some cigars to hand out for this free advertising.

MODERN WASHING AND DRYING PLANT AT BUFFALO

A. E. Baxter Engineering Company, of Buffalo, N. Y., who are the engineers for the Hecker-Jones-Jewell Milling Company has let the contract for the erection of a washing and drying plant in connection with the Buffalo mill to the James Stewart Corporation of Chicago, Ill.

This building will be located between the elevator and the new mills and will be constructed of reinforced concrete. This plant will be the first in the country to have an individual building equipped with nothing but the washing and drying machinery. It will occupy a ground space of 37 by 47 feet and have a height of 115 feet 9 inches. There will be several large bins above the washers for receiving wheat and there will be two large bins for receiving the wheat above the driers when coming from the washers.

The washers are being furnished by the Richmond Manufacturing Company of Lockport, N. Y., and the driers are the Randolph Direct Heat Driers, made by the O. W. Randolph Company, Toledo, Ohio, equipped with automatic temperature control, reading both the temperature of the air and the temperature of the wheat as it passes through the drier and recording both temperatures on individual charts.

This drying equipment can be so regulated as to leave sufficient moisture in the wheat and at the right temperature to go to the first breaks in the mill without passing through tempering bins. This saves the re-handling of the wheat.

This plant will have a capacity capable of handling from 30,000 to 50,000 bushels per day. It will be one of the show places of the milling industry. It will be completed and ready to run in about 30 days.

THE Japanese wheat crop is officially estimated at 33,000,000 bushels compared with a crop of 31,000,000 bushels last year, according to a cable to the Foreign Service of the Bureau of Agricultural Economics from Agricultural Commissioner P. O. Nyhus.

**"SIX-SPEED SPECIAL" TRUCK
FILLS WANT**

All over the country motor truck users have said for years, "Show me a small heavy-duty truck for compact, heavy loads, to look and go like a snappy speed truck, with frame and springs to stand all kinds of punishment, and with a gear reduction so I can use the engine power down to the last ounce when I'm caught heavy loaded in hard going." Particularly, in the country where roads are often not improved, there has been an insistent demand for such a light truck that can withstand jolts from traveling over stubble fields and rotted lanes.



"SIX-SPEED SPECIALS" HAULING GRAIN AT MONTEZUMA (KAN.) ELEVATOR

Farmers and small-town merchants, especially, have needed a truck of this type with ample reserve power to pull them where the going is hard and rough and plenty of speed to save time on the highways. The new six-speed International Harvester truck has recently been designed to fulfill this demand.

The elevator operator is finding in this truck a means of fast country delivery and thus is able to give his farmer customers better service. Sections to which the "Six-Speed Special" was released six months ago are taking this truck in dozens of solid trainloads, already requiring a production schedule far ahead of every other International Harvester model.

One of the illustrations on this page shows two Harvester Six-Speed Special Motor Trucks utilized in hauling grain in the vicinity of Montezuma, Kan. The other is an illustration of one of these trucks



FRANK VOTH'S "SIX-SPEED SPECIAL"

owned by Frank Voth, who operates a 240-acre farm, and the truck is in a wheat field taking grain from Mr. Voth's McCormick-Deering 10-foot harvester-thresher.

When a farmer uses a truck of this type, he gets his grain quickly to market, and the time that he thus saves is available for other profitable effort. Mr. Voth's farm is about four miles from the elevator and he was able to haul 15 to 20 loads to the elevator in a day. It took two rounds of the field to fill the harvester-thresher grain tank and Mr. Voth was easily able to get a load to the elevator and return for another before the harvester-thresher had completed the two rounds.

The new speed truck, a one-ton unit, is known as the "Six-Speed Special." The truck derives its name from the fact that there are six forward and two reverse speeds. The transmission has three speeds forward and one reverse. A two-speed spiral bevel rear axle of new type provides two

axle reductions for each transmission speed. There are thus two ranges of speed, one an extra low range ordinarily found only in some of the big heavy-duty trucks. The low range, with its three speeds, is for rough roads, mud, fields, hills, wherever the going is tough. Then there is the high range, with its three speeds, for fast hauling where the roads are good.

The new International has unusual flexibility, speed, and utility. With a truck like this, a farmer can quickly take his grain and livestock to market and thereby save time that he can use for other purposes. He also can save the expense of paying others for his hauling and is provided with a speedy means of getting what provisions he needs from town.

GRAIN LOSS ORDERED PAID

A controversy involving only \$75, but a trade principle of substantial importance, has been ended by Arbitration Committee No. 6, of the Grain Dealers National Association. The decision was in favor of the Kettenbach Grain Company, of San Francisco, Calif., plaintiff, against Henry Lichtig & Co., of Kansas City, Mo.

On May 11, 1927, the plaintiff bought from the defendant three cars of bran for June shipment. Evidence showed that the plaintiff notified the Missouri house that shipment was desired within contract time. However, it became necessary for the California firm to buy in a part and cancel a part of the unfilled contract at the current market price.

HUNGARIANS ASK FOR SUSPENSION OF CORN DUTY

A temporary suspension of the import duty on corn is being asked by hog breeders of Hungary, who say that the shortage of feed in that country will soon destroy completely the hog breeding business. Farmers, on the other hand, are not in favor of the suspension of the duty for fear that it will tend to depress the prices of other grains. No decision has been handed down by the government in this but much interest has been taken in the importation of yellow Plate corn, via Hamburg and Regensburg. The breeders say that the government was willing to suspend the duty on and to prohibit the export of all feedstuffs and that it should help them out in their dilemma.

**OREGON FIRST IN FISCAL YEAR
WHEAT EXPORTS**

During the year ended June 30, 1928, when total United States exports of wheat amounted to 145,956,000 bushels, more wheat left the country by way of the Oregon custom district, mainly Portland, than from any other customs district, with foreign purchases amounting to 38,897,000 bushels, a new record for exports from that port, the Bureau of Agricultural Economics announces this month.

Duluth and Superior ranked second with exports of 35,954,000 bushels, also a record figure, the two groups together thus handling more than 50 per cent of our surplus. Galveston, which has frequently held first rank as an export center, dropped to third place with an export of only 13,074,000 bushels as compared with 51,223,000 bushels during 1927.

RICE EXPORTS HEAVY

Receipts of American rice in Porto Rico for the "rice year" ended July 31, 1928, totaled 1,834,000 pockets of 100 pounds each compared with 1,866,000 pockets the preceding 12 months and with 1,737,000 pockets the average annual receipts during the preceding five years, according to a report to the Department of Commerce from the trade commissioner at San Juan.

These figures showed a decline of 32,000 pockets of American rice received during 1927-28 from the total amount received in 1926-27, but they also

showed that total receipts in 1927-28 were 96,600 pockets larger than the average annual receipts for the preceding five years.

Receipts of foreign rice showed an even more marked decline during the year. Imports of foreign rice in 1927-28 totaled 27,144 pockets compared with 42,371 pockets during the preceding year. During both years, Spain furnished the bulk of the foreign rice imported.

The new rice year (1928-29) opened with receipts during the first part of August running below receipts during the first half of July. But receipts during the late summer and early fall this year were about equal to the receipts during the same period last year.

WHO PAYS THE TAXES?

By M. L. HAYWARD

"To have and to hold unto the said grain dealer, and his assigns, for and during the term of five years from the date hereof, yielding and paying therefor in each and every month, the monthly rental of \$125," the grain dealer's lease stated.

Six months later the city presented a tax bill on the building in question amounting to \$583.74.

"Present it to the grain dealer, he's the proper party to pay," the landlord advised.

Fifteen minutes later the grain dealer telephoned.

"What's the idea of sending that tax bill to me?" the grain dealer demanded.

"You're the lessee—you have the entire control and possession of the building for five years, and it's your duty to pay the taxes," the landlord declared.

"I'm the occupant, but you're the owner; you can pay your taxes, or let the city sell the building," the grain dealer retorted—and rang off.

And the grain dealer was quite safe in "standing pat," as, if there is no agreement to the contrary, it is the duty of the landlord to pay state, municipal, and city taxes and assessments imposed by law upon the leased premises, a rule which has been approved by the Alabama, Illinois, Iowa, Louisiana, New York, Pennsylvania, Tennessee, and Wisconsin courts.

NEW BOOK ON PATENTS READY

About a month ago the fourth edition of "Patents: Law and Practice," by Oscar A. Geier, appeared. Since 1924, when the preceding edition left the press, a great number of changes in the rules and practice in the United States Patent Office have been made and many foreign countries have enforced an industrial and commercial patent and property act. The new book is up-to-date and takes into consideration these new requirements, as well as contains all the elementary information which was included in preceding editions of Mr. Geier's book. The book is published by Richards & Geier, patent and trademark attorneys, 274 Madison Avenue, New York City, and is available for gratuitous distribution to interested persons who care to write the publishers.

**SHIPMENTS THROUGH LOCKS ON
INCREASE**

Last year's shipments of wheat through the Soo Canals, up to September 1, 1927, have been exceeded by more than 40,000,000 bushels for the same period this year. A total of 150,232,230 bushels of wheat has been shipped through the locks so far this season, while the total up to September 1, 1927, was 107,816,928 bushels. And last year navigation opened a month earlier than it did this.

For August this year, the total tonnage was 13,680,069 all but 236,012 tons of which passed through the American locks. Included in this traffic were 1,224,520 barrels of flour, 9,940,468 bushels of grain other than wheat, and 9,189,058 tons of iron ore. A total of 2,901 vessels, carrying 21,650 passengers, passed the locks.

The figures were made public by Superintendent Isaac De Young of the United States Locks at Sault Ste. Marie, Mich.

HAY, STRAW AND FEED

NOT so very long ago there passed on to the fathers, the oldest veteran, in point of age, as well as in actual years of service, of the Anglo-Saxon feedstuff trade. This man was Fisher,—J. W. Fisher, if you must know; though out over the American Mid-West, where he sold his wares then, the initials were never given. There was just one Fisher, when it came to feedstuffs. That one was, of course, he.

Mr. Fisher lived to be well past 90. He had been in active business, selling feed, since 1850. You may well guess what range of activities he has seen! With the death of this elder Fisher, control of the business passed to his son, Albert. Fisher, Jr., started into the work with his father when a mere lad. It won't be so many years before he is 80. In point of consecutive service, so far as can be learned here, "young" Fisher, they call him to distinguish him from his father, now holds the record of being the veteran of the English-speaking feed-stuff world. Just what changes a single business lifetime has witnessed with feedstuffs, as he recounts of them succinctly, it is interesting to remark just now; when revolution is apparent at every turn in the feedstuff trade. We asked Mr. Fisher the story.

"My father," he answered instantly, for he is being called upon to tell of it, over and over, before

A Pioneer Dealer Discusses Old Times

By FELIX J. KOCH



as to have us put up special feeds for them. These should go to make eggs in quantities untold. What quantity of ground-shell should go in became almost a mania with them. They would know exactly what per cent of this the chicken would pick up as they fed; what they ate, thus, of rough oyster-shell and the rest. The recipe worked out, the feed was put up for them first of all; there was no objection if we sold it to others as well."

Mr. Fisher stopped a long time. He was thinking, he confessed after, of the trips he made to scattered fish-shops, the town about, for oyster-shells then; the grinding he attended, to make these shipshape for the feed. Finding us waiting, he continued:

"Quite in the quantity that we disposed of chicken-feed, we sold specific horse-feeds then. There was a feed, that was just a ground Alfalfa-hay that was especially popular the Middle West 'round for a long, long time. Such was the demand for it that three big concerns of Cincinnati gave their best efforts to making it. The process of manufacture is interesting, in contrast to these newer times:

"The feed manufacturers would arrange to be sent big tank-cars of very low-grade molasses. Blackstrap we called it in the trade. Actually, this Blackstrap was the refuse of the molasses plants, but it was very sweet, and horses do love sweets.

"The feed manufacturers would get really high-grade Alfalfa hay from the West, particular Colorado. This hay would be ground extra-fine. To it was added the dark molasses. To that mix then went cottonseed meal, ground a' purpose while the Alfalfa was being prepared to receive the same. Originally linseed meal was then put in too. They continued with that till the substance grew too costly—when it turned \$40 to \$50 a ton, it was out of all possibility there. Sometimes middlings were put to the mass. This, though, was rather the exception to the rule. Feed stores posted on their walls the slogan:

HAY TO GIVE BODY—

CORN TO GIVE FAT—

OATS TO PROVIDE MUSCLE!

"But people would come for the molasses mix and were sold it in quantities, none-the-less. One reason for its popularity, I believe now, was this: It was put up in 100-pound sacks. Sacks of that sort are easy to handle. It was so much simpler handling a 100-pound sack apparently giving the animal all it required, than juggling with separate sacks of corn, hay and oats; to pour out just so much of each. All of the substances the animal was presumed to want at that time, were present in the sack thus at hand."

Large-scale users of the *Genus Equus* and its kin will have feed as they'd have it!

Fisher sold giant quantities of corn to the street-car companies, in the days of horse-cars. These companies would then have men awaiting runs and glad to earn the while, hostlers and the like, grind the corn, for the car-mules particularly; that this be ground as they wanted it ground. Mules, even then, had notably poor teeth. Had they been fed the corn "whole" quantities of it would have passed through whole, satisfying no hunger and giving no nourishment in the wake. Ground, the corn made just the feed desired to yield the much needed substance.

Later the car companies bought hay of the feed-

stuff folk. Then they cut this themselves, in simple electric-choppers. Chopped hay, corn and bran was the ideal fare of their steeds, but they knew the first was chopped just as they desired.

"A sideline to the trade in the poultry feed was the pigeon-feed," says Mr. Fisher. "Pigeon feed was often the same sort of screening that was used for the chickens. Only, it went out in smaller sendings. Again, some of the smaller mills prepared cracked corn for pigeon feed. Sometimes, too, they had such corn as a chicken feed."

Along with all these things, the old feed stores of the '70s, would handle hoes and other smaller farm-tools and garden-tools. All in all, they did extra well. Naturally, feed men then had an eye out always for the big contracts nearby.

Prohibition, too, has brought its change to the feedstuff trade as the Fisher's have known it. Cincinnati was, for many years, the brewers' capital of the United States. The refrain to the song "The Prince of Pilsen"—"Was you ever in Zinzinnati?" rather tells the tale.

The breweries of the Queen of the West, at the heyday of their prosperity, used never less than two horses in-team. Often four horses would be employed instead. There was a load to be transported up the sheer Ohio and Kentucky hills, of course. But there was an advertising value in the



OLD TIME HAY MOVEMENT OVERLAND

grain-exchanges, chambers of commerce, meetings of granges and so on, "learned the business of selling feed-stuffs and grain across the ocean.

"Coming to the United States in 1850, he opened business in the bottoms at Cincinnati. The city was, already then, a vast center for feed-stuffs. This, since it was the entrepôt of the rich, mid-western grainland. The far western grain fields were hardly a factor in the area. The grain-lands of the Canadian West were unknown. The grain came from substantially nearby sources. The feed-stuffs, derived so largely from these, came from such sources in turn.

"It is hard to conceive of a really big feedstuff house getting all its supplies by wagon, or by slow river steamboat of the old type; but that was what had to be then. My father resolved to specialize in feed-stuffs, grain and hay. Business soon flourished. It continued to flourish. By and by we became known as the oldest house in the field west of Rochester. Now, so far as the same family of owners is concerned, we understand we are even older than that. It makes us the oldest house in consecutive business, we believe, in the western world.

"Feed for chickens then, like food for a baby now, was one of the most frequent subjects of argument to be heard around town. I suppose about every third poultry-man had his own recipe for feed; what he wished—what he would have prepared, if he dared. Certain persons did go so far



MOVING HAY VIA THE RIVER

big, ploughing horses, with the muchly-studded harnesses and the brilliantly-painted wagons.

Brewers of parts insisted that their horses be fed only the best quality of White oats at this time. The horses came to look their very best, of course. Lovers of animals would stop in their tracks to mark the long, double-teams of heavy steeds come by, the wagon rumbling majestically behind.

Later, when the clipping-machines, for clipping the ends off the oats came into more general use, giving a fare that was solid oat—all kernel, that is to say—the brewers turned to this. Clipped-oats was the feed for their horses throughout. This, and nothing else.

"The oats," Fisher recalls, "were dear at 40 cents the bushel then, when they are cheap at 80 cents now. But, 'dear or no, brewer vied with brewer in feeding these', one just would have perfect steeds. A single brewery, such as Moerlein's, had 100 horses at least. You may guess what the year-around contract for its feedstuffs implied."

Another of the welcome additions to the fattening exchequer, with Fisher and son through the years described came with racing permitted in Ohio and rising in Kentucky, 'cross the stream. Race-horses of international renown would be brought to Oakley and 'cross-river, to Latonia, for stops of a month at least at the time. Owners contracted always, then, for the best Timothy hay they could find. Some of these men were so particular with this feed that nothing would do but

that the rough stems of the Timothy be removed. Only the leaf was a proper fare for a prize-winning steed.

The Fishers made them another fortune through the years here, selling the linseed meal oil cake as feed—the cake of the linseed with the grease of the oil pressed out. Those were the days when the big Gordon linseed oil mills and the whetstone linseed mills, at Cincinnati, worked with water power to handle the flax and leave this type of feed behind. Cakes would be pressed and shipped, not only this country around, but to England as well. Shipping was cheap in those particular times. The oil-cake feed sold in Cincinnati at \$30 a ton; in London it retailed at \$40 with proper profit to all persons concerned.

"Perhaps," Mr. Fisher's reminiscence of this, "such matter was costly feed in England then. But, let's recall that it cost as much to carry a poorer feed to that feedless country as it would to freight over a rich. The English knew the food-value of this rich linseed feed. It put flesh on all creatures eating it. It builds a slick coat. One may mix it with a far less concentrated feed and still produce a herd of cattle, that will be second to none. Innumerable ancestors of the far-famed Southdown mutton of today were raised—brought to par—be assured with this feed.

"At one time a great Cincinnati dairy house imported some extra fine Holstein cattle; pedigreed stock, every head. They, too, discovered what proved pretty nearly incredible results with this feed."

Again, there was profit in settling unemployed, low-class labor otherwise gathering up the loose hay that would drop from wagons, and binding this to "hay-ropes," with fresh supply to complete the rope if one must.

Sometimes these men also took out screenings to sell as chicken-feed to back-yard poulterers; buying of the Fisher's for resale. Feedmen sold a little flour as a sideline then, also; feed for the *Genus Homo*, they excused themselves! Salt, lime, cement, too, were always to be found in their places.

Possibly the last-named were a bit removed from actual inventories of what one would expect to find in a high-grade feed-store. But, there—really, what matter? Look up the Fisher's—the father, when still alive here, the son now—in your Dun or Bradstreet! You will stand convinced that departures of such a sort have paid!

"NO METAL CAN TOUCH" FEEDS IN NORTH CAROLINA

The State Board of Agriculture in North Carolina, has issued an order prohibiting the use of metal fasteners on feed bags. Commissioner of Agriculture Graham has announced that: "The action forbidding the use of metal hook fasteners was effected by resolution of the State Board of Agriculture, and in pursuance of the statute." It will be put into full effect on January 1, 1929.

CARRYOVER MAY BALANCE SHORT HAY CROP

The decrease in the production of hay for the current season, the crop being estimated at 87,900,000 tons or nearly 18,600,000 tons below that of last year, may be partially offset by the larger carryover at the beginning of the season and the larger supply of feed, according to a statement made public this month by the Department of Agriculture.

Production of tame hay during the current season is estimated at 87,900,000 tons or nearly 18,600,000 tons below that of last season. No estimate is yet available for the Prairie hay crop but conditions to date do not indicate any material increase over that of last season which was considerably above the five-year average.

The indicated reduction in the total hay crop for the current year is to some extent offset by a larger carryover at the beginning of the season when stocks of hay on farms were estimated to be some 7,000,000 tons above those of May 1, 1927. The larger domestic supply of feed grains this season may also tend to restrict consumption of hay.

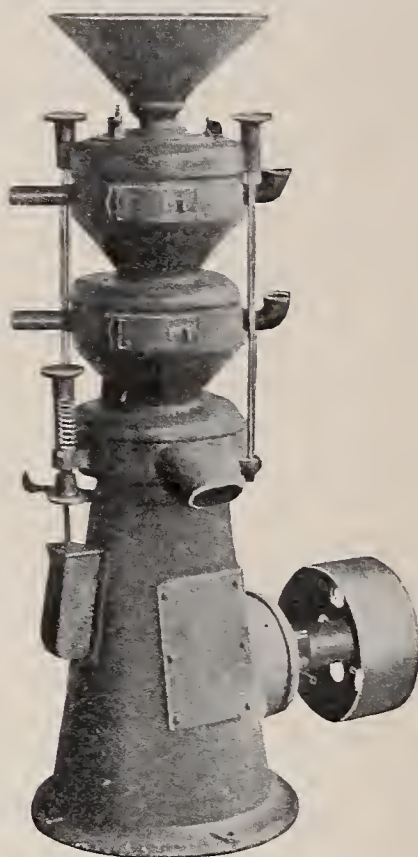
The indicated disappearance last year, as shown

by production carryover and imports, exports and stocks on hand at the end of the season, was the largest any year for which statistics are available, and exceeded the corresponding estimate of the preceding season by nearly 20,000,000 tons.

A STEEL BURR MILL FOR WHOLE WHEAT

The grinding of whole wheat, Graham and rye flours represents an important branch of the milling business, although in many instances the mechanical advancement of this phase of milling has not had the attention which it merits. Despite the demands of modern efficiency and the trend toward improved methods, many of the smaller mills are still operating on these products with stone burrs. The "dressing" of these stone burrs, as every miller knows, is a problem which involves time and the necessity for specialized knowledge.

To offset this, the Barnard & Leas Manufacturing Company, of Moline, Ill., has perfected the Anthony Steel-Burr Grinding Mill, which is one of the most recent inventions in special cereal grinding machinery. A considerable number of mills, including some very large concerns, have installed this new device and have found that it makes a whole wheat flour that is quite equal in flavor to



ANTHONY STEEL-BURR MILL

the product made with the old fashioned stone burrs. The ease with which the steel burrs are adjusted makes possible the varying of the fineness of the flour to suit the trade's needs. The machine is equipped with three sets of hardened semi-steel burrs which may be resharpened or replaced at a small cost. Among the advantages cited for this type of equipment is low power consumption. This is brought about by the bronze bearings, steel cut gears, running oil bath and ball thrust bearings. The installation does not require much space. The manufacturers state that not only is the machine available for milling whole wheat and Graham flours, but it is adaptable to the grinding of corn-meal as well as coffee and other products.

GROUND SEAWEED FOR COWS PRODUCES ANTI-GOITER MILK

Experiments with Ruth Hanna McCormick's Rock River farm's herd of dairy cows have revealed facts that may aid in putting an end to goiter, says the *Chicago Tribune*. The findings have been announced from Mrs. McCormick's farms at Byron, Ill. It was found that by feeding powdered seaweed to cows they produce milk containing iodine. A sufficient amount of iodine was found in the milk to encourage the hope that the use of such iodized milk as a food would prevent and possibly cure cases of common goiter.

The chemical analyses were made by Professor

George W. Cavanaugh, head of Cornell University's chemistry department. Food and health specialists have eagerly followed the tests.

Experiments have been previously conducted by feeding cows ground kelp and Mrs. McCormick wanted a test made. She turned over her fine Holstein cows to be used in the experiment, which was begun the first of July. Before the experiment was started tested samples of milk from the herd failed to show any trace of iodine. Powdered seaweed was mixed with the regular feed and fed.

At the end of six weeks the milk was found to contain 306 parts of iodine in a billion. From 150 to 200 parts of iodine in a billion has been established as the minimum amount in order to make it effective, according to the announcement.

"HANDLE CORN SURPLUS BY FEEDING"—JARDINE

For every five bushels of corn handled by grain dealers, four bushels are fed to hogs. Secretary of Agriculture Jardine, in a statement this month declares that it should be advantageous this year to let hogs and other farm animals have even a greater proportion of the country's corn, "bearing clearly in mind, however, not to produce hogs heavier than the desirable market weight."

An average increase of five pounds in the weight of the 45,000,000 hogs fed on the 1928 corn crop would mean the consumption of about 20,000,000 bushels. This volume would then automatically be subtracted from this season's surplus.

FEDERAL HAY RULE IN TEXAS

The United States Bureau of Agricultural Economics announces that arrangements have been completed for opening a hay supervision office at San Antonio, Texas, for the purpose of supervising the hay inspection work in Texas and New Mexico. The office will be located at the San Antonio Chamber of Commerce and will be in charge of C. M. Funk, who has been assistant supervising inspector at Kansas City.

The opening of this new office has been made necessary by the large volume of hay inspection work which has developed in Texas and New Mexico where several large markets use Federal hay inspection as well as several shipping points and a number of army posts. It is expected that, with this office located at San Antonio, several additional inspection points will be established in the near future.

FEED IS 57 PER CENT OF POULTRY TRADE'S COST

The cost of producing eggs on Medina County farms varied from 19.7 cents to 53.2 cents a dozen according to a bulletin by F. L. Morison on dairy and other livestock production costs in Medina County Ohio, just published by the Ohio Experiment Station. Feed formed 57.8 per cent of the average cost of the poultry enterprise, labor 24.2 per cent and other items 18 per cent.

The data collected by the rural economist are for 23 typical farms and cover a period of five years. The average cost on these farms was 34.6 cents per dozen and the average selling price 38.6 cents.

Farmers having 16 per cent or more of their egg sales in the four high-price months of October to January, inclusive, made 70 cents an hour on their poultry enterprise. Those having less than 8 per cent of their annual sales during the high-price months made only 25 cents an hour.

The feed cost per hundred birds was \$45 more per year for the heavy fall-laying flocks, but the total returns were \$145 more per year, than for the flocks with low fall production.

In flocks producing an average of 115 eggs per hen the costs were only 50 percent higher than in those producing an average of 48 eggs in a year, while the returns from the high producing flocks over all costs were seven times greater.

There was a wide variation in the profits from poultry on the 23 farms. One farm had an annual return over all costs of \$115 per 100 fowls, while another had a loss of \$70 per 100 fowls.

FEED MARKET REVIEW

The feed market was firm during the week ending October 10, with offerings hardly sufficient to meet trade needs, according to the weekly feed market review of the United States Bureau of Agricultural Economics. Seasonal factors, such as shorter pastures and approaching colder weather, tended to make the market stronger. Prices of wheat mill feeds and high protein feeds were higher at most markets, cottonseed meal and Alfalfa meal were steady, but hominy feed was slightly lower.

Pastures were fair to good east of the Appalachian Mountains but to the westward reaching to the Pacific Coast there was rather general need of moisture except in the Pacific Northwest. In parts of the Rocky Mountain area and the Great Basin shortage of moisture was becoming serious, with livestock being fed and water supply low.

The output of wheat feeds as measured by flour production continued to be of considerable volume. Flour production at the principal milling centers totaled about 1,795,000 barrels, the largest weekly output since the beginning of the season. This output is about equal to the average weekly production for the corresponding week of the past four years.

Prices of wheat mill feeds were lighter with bran and middlings, advanced and heavier feeds generally steady. Demand for all wheat feeds was good and offerings relatively small. Offerings of bran for immediate shipment at Minneapolis were limited and with good demand prices advanced. Mills in this area were reported delinquent on filling their contracts. Eastern buyers were competing with local jobbers and mixers for that market's small offerings. Lighter offal showed considerable activity at Chicago but heavy feeds were firm. The demand was principally for bran and standard middlings for immediate shipment and interest in deferred shipments was dull at the present price levels. The wheat mill feed situation was firm at Buffalo, especially for bran. Demand was urgent for spot or immediate shipment and fair for prompt or October shipment. Offerings were light as mills were sold up and resellers were offering only for October and November shipment. The St. Louis and Cincinnati mill feed markets were strong with good demand.

An urgent demand for the small offerings resulted in an advance of around \$2 for bran and 50 cents for shorts and heavy feeds at Kansas City. Demand from the Central States jobbers and mixers and southeastern dealers readily absorbed all available supplies. Inquiry for gray shorts was not as urgent as for bran, sales being made mostly to small buyers.

A steady tone prevailed in the cottonseed cake and meal markets with prices slightly higher than a week ago. In the Atlantic States and states bordering the Mississippi River favorable weather aided picking, ginnings were larger, and operations at oil mills were expanding. In Oklahoma and Texas progress was not as favorable. The 1928 cotton crop was forecast as of October 1 at 13,993,000 bales, a reduction of 446,000 bales from the September 1 forecast. This crop if realized indicates approximately 460,000 tons more cottonseed is potentially available than last season. Based on cottonseed cake and meal out-turn in the past, this additional seed supply would indicate about 168,000 tons more cottonseed cake and meal for this season, but with very small stocks on hand at the beginning of the season the total available supply may be only about 120,000 tons more than last year.

Demand for linseed cake and meal was firm during the week and prices advanced at most markets. The situation at Buffalo was unusually strong with urgent demand for nearby shipment. Offerings, however, were light as crushers in that section were sold up and only running at very light capacity, due to their inability to obtain sufficient supplies of flaxseed. The Minneapolis linseed market was also strong with crushers out of the market except for November shipment. However, offerings by resellers were sufficient to meet the present demand. The linseed market was firm at Chicago.

Gluten feed situation continued strong for the

liberal offerings. Eastern mill production was reported light, resulting in only moderate movement. Good demand was evidenced at Chicago for both gluten feed and meal, especially for November shipment. Gluten meal was quoted at Buffalo at \$51.50 and Chicago at \$47.65 per ton.

Hominy feed markets were weak with slow demand and liberal offerings by mills and resellers. Eastern mills production was heavy, resulting in considerable movement and accumulation of stocks. Hominy feed was \$1 higher at Omaha, influenced by light corn receipts and offerings. The market was dull at Chicago with offerings too liberal for the slow demand. Yellow hominy was quoted at Buffalo at \$37, Omaha \$32, Chicago \$33.75 per ton.

The Alfalfa meal market was also strong along with other feeds. Considerable trade with mixers in the south and east was reported at Kansas City. The Alfalfa meal market was steady at Omaha.

NEW YORK HAY PRICES DECLINE

By C. K. TRAFTON

The reactionary tendency which developed in the New York hay market early in September after the good August advance made further progress during the period under review. Up to the last week in September prices had declined an additional \$1 per ton on the average and early in October a further loss of \$1 was sustained. As might have been expected, buyers who had loaded up rather freely before and on the August advance withdrew from the market almost entirely after the "peak" of the upturn had been reached, while the more encouraging letters sent to the country by commission merchants resulted in some increase in the daily arrivals. As generally the case recently, the inquiry was confined mainly to better grades in large bales, whereas the bulk of the arrivals consisted of lower grades in bales. In fact, in spite of the larger arrivals, it was still almost impossible to buy any real top No. 1 hay. Nevertheless, there was little or no change in the difference in prices between top and lower grades, although it is true that the really poor stuff went to a still larger discount, selling as low as \$12@13, whereas No. 1 was quoted at \$26@27, although practically none of the hay arriving graded high enough to command the top price. The easier tendency was especially noticeable in Brooklyn markets where it was generally possible to buy at \$1 below the prices current at Manhattan terminals. Considerable of the hay arriving was wet and over-ripe and in some cases complaints of mustiness were also heard.

HAY MARKET STRONGER

Hay markets held generally steady and prices at some points were advanced slightly with the moderate offerings and fairly active demand during the week ending October 6, according to the weekly hay market review of the United States Bureau of Agricultural Economics. Harvesting of late cuttings of Alfalfa were nearing completion in the middle western states. Country loading were generally light. Pastures were becoming short in some areas and this stimulated demand for hay, although recent rains improved pastures and meadows in some districts.

Eastern Timothy markets showed considerable strength as receipts of good quality hay were hardly sufficient for current needs. Best grade hay at Boston was scarce and receivers were obtaining top quotations for most offerings of this type. Arrivals at this market were only moderate and mostly of medium to low grades.

Alfalfa markets held firm with an active demand for good quality hay suitable for dairy or milling purposes. Kansas city reported the largest receipts of the season with a more liberal offering of leafy types which were readily absorbed at steady prices. Mills and dairies were active buyers of good quality hay. Alfalfa receipts at Omaha were light and although prices were unchanged the market was showing a stronger tone and offerings were readily placed. Very little Alfalfa was being offered at Minneapolis but demand for this type of hay was quite active. Alfalfa was also in good demand at Chicago but offerings were light. Inquiry for Clover

and Clover Timothy mixtures at this market were also brisk and offerings moved readily at prices around \$1 above last week's close.

Pacific Coast markets held steady with quotations practically unchanged. Light rains on the Yakima Valley of Washington caused some selling pressure and a somewhat easier tone developed in the general market situation. The Los Angeles market remained practically unchanged with best grade barley hay selling about \$2 above No. 1 Alfalfa and Oat hay at the same price as top grade leafy Alfalfa.

Prairie markets strengthened slightly with the smaller offerings and less favorable prospects for supplies from some of the northern districts. Demand for good quality Prairie at Kansas City was active although receipts were large. Stockyards were making liberal purchases. Some improvement was also noted in shipping inquiry. Omaha reported a more active demand from sheep feeders and prices at this market were quoted 50 cents above a week ago. Quoted on October 5 were: No. 1 Timothy, Boston \$24.50, New York \$26.50, Pittsburgh \$21.50, Cincinnati \$20.50, Chicago \$24, Memphis \$31.

FEED MILLS HOLD DISTRICT MEETING

The Wayne Feed Mills of Fort Wayne, Ind., recently held a series of three meetings for its dealers at Lima, Ohio, Adrian, Mich., and Grand Rapids, Mich., with D. W. McMillen, president of the company; A. G. Phillips, vice-president and sales manager; Paul C. Riley, service department head; and C. A. Holland, advertising manager; and Walter B. Kruck in attendance.

The meetings were under the direction of Mr. McMillen who talked on "Better Merchandising Methods." Mr. Phillips spoke on "Wayne Feeds and How they Fit Into the Farmers Feeding Program"; Mr. Riley on "Solving Poultry Problems"; Mr. Kruck on "Feeding Hogs and Dairy Cows" and Mr. Holland on "Problems and New Features in Advertising."

CORN FOR CATTLE, NOT HOGS

In the opinion of Secretary of Agriculture Jardine, cattle feeding is preferable in many respects to that of hogs as a means of utilizing more of the nation's corn crop. It takes about 800 pounds of shelled corn to put 100 pounds of gain on a two-year old steer. At this rate 2,250,000 steers fed to be 100 pounds heavier by corn feeding, would consume approximately 32,000,000 bushels of the crop. The number of steers is only half the total slaughtered annually under Federal inspection.

The heavier feeding of corn, Secretary Jardine advises, should be on lighter cattle, since there are indications of a plentiful supply of heavy cattle in the summer of 1929.

MICHIGAN GETS RESEARCH EQUIPMENT

The Michigan State College was the recent recipient of a farm on which it will conduct extensive experiments in the subject of feeds. W. K. Kellogg of Battle Creek was the donor of the farm which is at Augusta, Mich. One of the features of the farm is the poultry plant, with colony and laying houses of the latest design, and the college plans to use this for experimental problems.

BEAN HAY OF HIGH VALUE

The soybean, a crop well known in some parts of the United States and commencing to get a foothold in Canada, makes a very good class of hay. Officers of the experimental farms division of the Department of Agriculture have written a pamphlet on soybeans in Canada that gives one a very good idea of the usefulness of the crop. The soybean, like Clover, makes a heavy hay that is relished by live stock. It is ready for harvesting any time after the pods have developed until the leaves begin to turn yellow.

G. P. McRostie, head of the forage crops division, says that the best time to cut is when the pods are well filled for at this stage the highest yield and

best quality is obtained. After being cut with the ordinary hay mower it is left in the swath for about a day or until the leaves are thoroughly wilted. The practice in this respect is about the same as with Clover. When wilted it is raked into windrows where it is allowed to cure. After two or three days, if the weather has been favorable, it should be put into small cocks for further curing and drying. Thorough curing is needed to prevent spoiling in the mow. The hauling and handling must be carefully done in order to preserve the leaves, which are the most valuable part of the feed, as much as possible.

REPORT ON CHECKER FEEDS

Railroad companies report that 47 out of 100 cars of feed are Purina products, manufactured at one of the 19 plants operated by the Ralston Purina Company, headquartered at St. Louis, Mo. In a statement issued last month by this firm, announcing its new plant in Denver, Colo., is the assertion that "the Ralston Purina Company is the largest manufacturer of animal and stock feeds in the world."

In the employ of this firm, whose "checkerboard" feeds now are handled by hundreds of country elevators, are over 300 agricultural college graduates.

HAY COSTS STUDIED

Hay production in the Eastern States is not managed as efficiently and economically, in many cases, as farther west, according to R. S. Washburn, of the Bureau of Agricultural Economics. A study of haymaking on representative farms in Pennsylvania indicated that some farmers harvest and store an acre of hay with four hours of labor, whereas on other farms more than eight hours of labor is required. One element many farmers have overlooked is that the easier way is also the cheaper way.

The use of the side-delivery rake and the hay-loader may be expected to effect a saving of approximately one and one-half hours per acre of man labor and one-half hour per acre of horse work, as compared with the use of the dump rake and hand loading from the windrow. With wages at 40 cents an hour, says Mr. Washburn, this represents a saving of 60 cents per acre in man labor alone which, with 30 acres of hay amounts to \$18, or more than enough to pay the interest and depreciation on the necessary investment in a side-delivery rake and hay loader.

TRADE SLOW BUT PRICES HIGHER IN NEW YORK FEED MARKET

By C. K. TRAFTON

During the past month the dead-locked condition in the New York feed market alluded to in our previous review was still largely in evidence. On the one hand, the fact that business was of even smaller volume than it had been during the preceding month offered more positive confirmation of claims that the good general buying movement occasioned by the August break in prices served to cover practically all distributing and consuming requirements in this territory up to the end of October. Moreover, this condition was accentuated by the fact that certain producers who had sold bran for season's ship delivery have already largely, if not entirely, completed shipments on such contracts. As a natural result the buyers who had been looking for this bran to come in gradually between now and the end of the year find themselves literally swamped with bran and in some cases are trying to lessen the load by re-selling. This aggravation of the filled-up condition naturally makes many buyers still more reluctant to do fresh business with the mills. The latter, on the other hand, still find themselves well sold-out as far as their October production is concerned and as a consequence the large local and Buffalo producers have withdrawn offers to a large extent. Others have taken advantage of this condition to advance millfeed prices from \$1.50 to \$3.25 per ton, although, as stated above, there has been nothing in the demand situation to justify such action. Business in linseed oil meal was still limited to scattered

car-lots to cover immediate requirements as producers, still stressing the better prices obtained for their cake in export markets, have raised prices about \$4 per ton, quoting 33 per cent meal at \$56.50. Very little business was done in cottonseed oil meal owing to an advance of \$5.50@8 per ton, the heavier meals being especially strong. According to advices from the South, this was due to the fact that many feed mixers came into the market simultaneously and ran the market up on themselves.

NEW FEED BRANDS

"CARNATION" oats used as feed for stock. Norris Grain Company, Chicago, Ill. Filed October 10, 1927. Serial No. 255,860. Published August 7, 1928.

"SILCO" hen feed, all grain feed, heavy grain feed, mincemeat, rolled oats, and canned corn. Sil-

WA-MO
SILCO
"CARNATION"

bernagle & Co., Pine Bluff, Ark. Filed November 19, 1927. Serial No. 257,817. Published August 7, 1928.

"WA-MO" food for hogs. Universal Mills, Fort Worth, Texas. Filed July 19, 1928. Serial No. 269,875. Published September 25, 1928.

Trademarks Registered

247,305. Poultry feed and stock feed, namely, pig meal, calf meal, egg mash, baby chick starter, hog fattener, dairy rations, oil meal, tankage, and mineralized stock and poultry feeds, meal for horses, meal for mules, meal for sheep and meal for swine. Fred William Simpson, doing business as Western States Farmers Exchange and Honey Dew Mills, Chicago, Ill. Filed May 16, 1928. Serial No. 266,426. Published July 3, 1928. Registered September 25, 1928.

247,317. Baby chick scratch composed of cracked corn, cracked milo, cracked kafir, cracked wheat and millet; chick starter, re-cleaned choice pinto beans, re-cleaned baby lima beans, choice re-cleaned black eye peas, hen scratch, laying mash and dairy feed. The Blotz-Henneman Seed Company, Clayton, N. M. Filed May 11, 1928. Serial No. 266,236. Published July 17, 1928. Registered September 25, 1928.

247,331. Feeds and dairy stock known as 20 milk ration and 24 dairy feed. St. Albans Grain Company, St. Albans, Vt. Filed March 14, 1928. Serial No. 263,176. Published July 17, 1928. Registered September 25, 1928.

247,332. Horse feed. St. Albans Grain Company, St. Albans, Vt. Filed March 14, 1928. Serial No. 263,175. Published July 17, 1928. Registered September 25, 1928.

247,379. Cornmeal and stock feeds for all classes of livestock, such as poultry feed, pigeon feed, hog feed, cattle feed, horse and mule feed, etc. Royal Feed & Milling Company, doing business as Royal-Stafolife Mills, Memphis, Tenn. Filed May 22, 1928. Serial No. 266,830. Published July 17, 1928. Registered September 25, 1928.

WANTED—GOOD ALFALFA

A much greater quantity of high-grade Alfalfa could be produced and marketed profitably in the United States, the United States Department of Agriculture believes, if producers would study market demands and make their production and loading practices conform to the market requirements. Hay dealers in all the big Alfalfa-distributing markets receive each year thousands of orders for high-grade Alfalfa hay which can not be filled because of an insufficient quantity of hay of this

grade. The chief demand for baled Alfalfa hay is from dairymen, and large numbers of them who now depend largely upon mill feeds as sources of protein would doubtless become buyers of Alfalfa if supplies of a high-grade hay were available.

FEED EXPERT LECTURES TO OHIO FARMERS

On one evening last month, L. C. Lord, manager of the feed department of The Early & Daniel Company, Cincinnati, addressed a meeting held at Russellville, Brown County, Ohio, on "The Dairy Cow and Commercial Feeds."

This meeting was in connection with a tour made through the county during that day. This tour covered most of the prize dairy herds in the county and was conducted in the interest of creating enthusiasm in dairying in connection with the new plant, which the Carnation Milk Company is erecting at Maysville, Ky.

BARLEY AND OATS RECOMMENDED TO JERSEY FARMERS

The New Jersey State Agricultural Experiment Station has conducted for three years a series of tests with improved varieties of oats and barley which will help the farmer in improving his yields and returns. An improved variety of oats, named Kanota, has averaged 56.9 bushels an increase of 55 per cent over the ordinary variety grown. Kanota was developed at the Kansas Agricultural Experiment Station and is already popular in Kansas and surrounding states.

Alpha barley was found to be the premier in that grain with a yield of 2,158 pounds of grain per acre, which is 336 pounds more than the best variety of oats. Barley is being recommended to the New Jersey farmers inasmuch as the farmer's return from this grain is greater than from oats. Barley has also been found to be a satisfactory feed for all classes of livestock.

HULLED OAT FEED FIGURES

The Ohio Experiment Station reports that pigs fattened on a hulled oats ration have set a new record. Less than 300 pounds of feed produced 100 pounds of gain in the experiment. To be exact, it required 267 pounds of hulled oats, 11½ pounds of tankage, 8¾ pounds of Alfalfa and 4½ pounds of minerals, and only 71 days' time to produce 100 pounds of gain.

If a farmer had a thousand bushels of oats to hull he will have just as much hog feed in the hulled product as he had before hulling, W. L. Robinson, in charge of the swine feeding at the station, points out, since the hulls are worthless for hogs. In fact they are worse than nothing because of their high fiber content.

NEW MOBILE SERVICE

The Mobile (Ala.) Chamber of Commerce is sponsor for the new hay and grain inspection service inaugurated there. The service is to conform to the state and Government standards and will prove of great benefit to dealers serving that market.

HAY SURVEY TO BE MADE

The United States Tariff Commission has announced that it will sponsor a general economic study of the hay industry of this country and Canada. Included in the survey will be study of the price relationship between American and Canadian hays. Marketing conditions and surpluses will also be included. Farmers' organizations and individual farmers in the New England States, New York, Pennsylvania, Michigan and Ohio, are interested in the undertaking.

It has been argued by many in the above mentioned states that a hay tariff readjustment between Canada and the United States is necessary and for that reason the industry will be studied and a report made to Congress to determine the proper tariff relationship between foreign and domestic producers.

Grain Dealers National Convention

Respecting the wishes of Boston Grain and Flour Exchange members, Admiral Hughes, U.S.N., ordered the Raleigh, speediest cruiser afloat, and the S-19, 900-ton submarine to Boston especially for the inspection and trial of those attending the G. D. N. A. convention. The 20-mile cruise and dive in the S-19 is illustrative of the spectacular type of entertainment provided by the Boston hosts. The business program of the convention fully matched the entertainment schedule in value and attractiveness.

RESORTING to language of the theatre in order to describe this sensationally successful, and therefore, dramatic convention, it may be said that the thirty-second annual convention of the Grain Dealers National Association, was a production which drew a packed house in Boston, Mass., September 24 to 26. Directors of this production were Messrs. Tapper, MacDonald, Morris and other Boston grain men, while the cast was an all-star aggregation, including Messrs. Quinn, Sturtevant, Mason, Suits, and others as well known as these, who were enabled to give their performance in a unique setting.

The historical pageantry which formed the prologue and between-act events of this convention, is outlined in the columns following the account of the convention proper. Likewise, the proceedings of the conventions held simultaneously by the terminal market weighmasters, grain inspectors, and by the feed distributors, follow the main feature.

A. S. MacDonald was elected president for the ensuing year, and S. P. Mason was named vice-president. Full details of the ballot results occur in their proper chronological order in the following verbatim account of the Boston convention.

MONDAY SESSION

The convention was called to order by President C. D. Sturtevant at 9:30 o'clock a. m., September 24.

The President: The convention will please come to order. May we all stand while the Right Reverend Charles Lewis Slaterry, Bishop of Massachusetts, delivers the invocation. (Convention standing)

Dr. Slaterry: Most Gracious God, by Whose knowledge the depths are broken up, and the clouds drop down the dew; we yield Thee unfeigned thanks and praise for the return of seed-time and harvest, for the increase of the ground and the gathering in of the fruits thereof, and for all the other blessings Thou in Thy merciful providence hast bestowed upon this nation and people. And, we beseech Thee, give us a just sense of these great mercies, and grant to those whose work it is to send these, Thy gifts, out into the corners of the earth, that they may remember that they are stewards of Thy bounty whereby the hungry shall be fed, and men everywhere shall be strengthened to serve Thee. Bless, we beseech Thee, those assembled for the furtherance of this honorable task, that its members, being knit together in friendship, may find better ways to serve the world and therefore to be more truly Thy servants.

And now, Oh Lord, look with mercy upon this whole nation, as it prepares itself for the high duty of choosing man to govern it. Grant that Thy Holy Spirit may take from us all blindness, selfishness and compromise, and so guide us to the election of such persons as shall please Thee, whereby we and all the people may be led into the way of prosperity, righteousness and peace; through Jesus Christ, Our Lord. Amen.

The President: It now gives me great pleasure, ladies and gentlemen, to present to you Albert K. Tapper, who as president of the Grain and Flour Exchange of Boston, will welcome us to Boston.

Mr. Tapper: I had hoped that the mayor of

Boston would be here to welcome you. In fact I understand he is on his way here at the present moment, but in his absence I extend to you the hearty greeting of the City of Boston. It is also my privilege to extend the greetings, best wishes and kindest feelings of the Boston Grain and Flour Exchange and the Boston Curb Exchange to you. Since your acceptance of our invitation about a year ago we have been busy trying to arrange so that we could make this convention a memorable one. During the last three years our several organizations have been deeply interested in legislation pertaining to the farmer and to the grain trade. We have had very serious problems to face. These problems we have had with us in the McNary-Haugen Bill for three years, and we supposed we had buried it at the last session of Congress. But it looks as though the grain trade had to face and fight a more strenuous campaign the coming year, and it is hoped that your business meetings will be able to line out some proposition by which we can all get together and protect the interests of our trade. I do anticipate that your meetings, which will take place in the mornings, will be eventful ones, and the speakers that are to appear before you will be highly interesting. On the other hand, we plan to show you the hospitality of the City of Boston. We plan to mix with business a certain amount of pleasure, and



RETIRING PRESIDENT C. D. STURTEVANT

I have been assured by your extremely efficient secretary that he will do all in his power to see that these meetings start on time and are closed on time, in order to get all the entertainment possible. We want you to feel that we are interested in your welfare, and that while you are among us you are one of us. Again, I want to extend to you, on behalf of the host associations here in Boston, our heartiest good wishes for a happy time in New England.

PRESIDENT STURTEVANT'S ADDRESS

THE grain trade of the United States is meeting at Boston today upon the occasion of its thirty-second annual convention. These 32 years of our association life cover a period of wonderful advance in all branches of commerce, and the grain trade, through the medium of this and sister organizations, has kept full step in the march of progress.

The Way The Grain Man Serves

We serve our country in the distribution of grain. We take it from the farmer and deliver it to the consumer, and during this generation of progress our method of distribution has so advanced that today there is no basic commodity upon which the cost of distribution, including all the middleman's profits, is as low as in the case of grain.

This is a wonderful record and we should all be proud to be grain men—to be identified with

a trade which has evolved and operates under so efficient a system.

The Grain Dealers National Association has played a leading part in this development, and is proud of its record—a record which is open to the inspection and criticism of everyone. A record in which there is no item of which we need to be ashamed.

The report of Secretary Quinn informs you in detail of the activities of the association during the past year, and it would be superfluous for me to cover the same ground. Instead of reviewing the past it seems proper that I should attempt to look somewhat into the future and should try to advise you briefly of some of the problems that will probably confront us during the coming year.

Arbitration and Trade Rules

The record of our arbitration and appeals cases is an index of our progress. Originally we started with one Arbitration Committee. The number of cases increased so fast that no one committee could handle them, so our constitution was changed to provide for seven committees in order that we might handle the arbitration business of the association without placing any undue burden upon our arbitrators.

The day is now fast approaching when we may, if we please, reduce the number of our committees because of insufficient business. A few years ago when I was serving as chairman of Arbitration Committee No. 1, there was never a time but that the committee had five or six cases before them for consideration. Only just recently one of our leading arbitrators complained to Secretary Quinn that he had not had an opportunity to consider an arbitration case for months.

I believe the reason we have fewer cases for arbitration is because the grain trade has advanced to a higher plane of business ethics—because our members are becoming broad-minded—because through the efforts of this association they are able to understand “the other man's side” of a controversy—because they realize that it is not only more ethical but more business-like and more profitable to adjust a difference upon a friendly basis rather than to allow it to go to arbitration or litigation—and finally, because through the efforts of our Trade Rules and Arbitration Committees the trade as a whole have a better understanding of their rights, and through the medium of arbitration decisions and the opinions of the Trade Rules Committee they can themselves determine the right and wrong of nearly any controversy without submitting it to one of our “juries of experts.” The thanks of this association are due to the chairmen and members of these committees who have labored so earnestly to bring about this result. I hope the time will come when our docket will be clear and our records will show there are no pending controversies between members of this association.

Transportation

Most trade associations maintain an expensive traffic department with highly paid executives to protect their interest. This association has been most fortunate for many years in having the services, free of cost, of one of the leading traffic experts of the country. Henry L. Goemann is recognized by all as such an expert and we are most fortunate in having his services.

Grain Products—Uniform Grades Committee—Crop Reports Committee

The Grain Products Committee, the Committee on Uniform Grades, and the Committee on Crop Reports will all report to us at this convention. Their work is of great interest and value to the members of this association. It is a part of the routine which does not attract publicity, but the work is no less valuable on that account, and I want to extend my personal thanks to the chairmen and members of these committees for their earnest efforts on behalf of the association during the past year.

Committee on Jurisdiction

At this time last year we had pending a controversy with one of the terminal markets on a question of jurisdiction. Mr. Mason was appointed chairman of a special committee to iron out this difference, and I am pleased to advise you that this committee was entirely successful in their efforts and as a result he will present for your consideration an amendment to the

Trade Rules which will clarify the position of this association as to the application of the rules of terminal markets to arbitration cases.

Membership

For the first time in several years the association is closing its year with more direct members in good standing than at the beginning of the year. This very pleasing situation is due to the fine work of the Booster Committee who has labored so hard to get new members. Continuous effort is necessary to keep our membership from declining, and I trust the Booster Campaign for the coming year will be as successful as it has been during the past.

A National Agricultural Policy

At the last convention we adopted resolutions favoring a national agricultural policy to include:

- First: Lower rail rates on agricultural commodities.
 - Second: Development of inland waterways.
 - Third: Tariff protection for farm products.
 - Fourth: Condemnation of reclamation projects that would bring additional farm acreage under cultivation.
 - Fifth: Development of water power for the production of commercial fertilizers.
 - Sixth: Co-operation in crop improvement and diversification.
- Representatives of this association have taken an active part in the various proceedings bearing upon these matters.

I. C. C. Docket 17000—Part 7 Hoch-Smith Resolution

This is the most exhaustive investigation ever conducted by the Interstate Commerce Commission, and hearings have now been in progress for more than a year. It is expected they will be completed and the case decided during the coming year. I am quite sure it is the opinion of every grain man who has attended these hearings that the result of the decision will be to materially reduce the cost of transporting grain, and that this definite step in the program for farm relief will be made effective in time to apply to next year's crops.

Your president and other grain trade representatives have been active in the inland waterways development program. The Denison Bill increasing the capitalization of the Inland Waterways Corporation was passed by the last Congress and became law. This bill provides for a greatly increased barge line service on the Mississippi-Missouri system. Grain is already moving down the Mississippi River from St. Paul to New Orleans, and we have every assurance that within a very short time the Missouri River will be open to Sioux City, thus affording an all water route from the farms of the Middle West to foreign countries via the Port of New Orleans.

There is now pending before the Tariff Commission in Washington a petition for the increase of the duty on corn from 15 cents to 22½ cents per bushel. Considerable data was presented to the Commission, and a decision is expected in the near future.

Tax on Futures

Leslie F. Gates for the Chicago Board of Trade, appeared in Washington before the Ways and Means Committee of the House of Representatives and presented arguments why the tax on futures should be repealed. Your president appeared and supported Mr. Gates and in addition presented arguments why this tax should not be applied to transactions in cash grain in case Congress should decide to allow it to remain on futures.

As a result of this hearing the House Committee eliminated this tax from the new bill. I regret to state that the Senate restored it and that it was written into the new law in spite of our earnest efforts to the contrary.

We are now actively engaged in an effort to convince the Internal Revenue Bureau that this tax has no application to sales of cash grain. This effort will continue until we are successful. We are sure of our position and are convinced that a tax on sales of cash grain in carloads is both illegal, inequitable, and unprofitable for the Government, besides placing an undue burden upon our commerce.

This question could undoubtedly be settled for all time through legal proceedings, but this will be resorted to only in case we are unable to convince the Department that we are right and that we mean business.

Dues

A year ago a special committee was appointed to consider the question of raising the dues of the association, and that committee will make a report to you later in the session.

I am very much of the opinion that the dues of this association should be increased. It seems

ridiculous that an organization which is trying to adequately represent the grain trade of the United States in national matters should be handicapped by lack of funds to properly carry on its functions. Certainly dues of \$20 a year are too low for such an organization.

It is quite true that our finances are in good shape and that we are closing the year with as much money on hand as we had a year ago, and with a reserve fund of \$5,000 available for emergencies. But that does not mean that we are financially equipped to properly carry on our activities. It only means that we are not doing many of the things we should do.

In recent years our legislative work has become the most important of our many activities. At every session of Congress legislation is proposed that would seriously affect our interests, and some of which, if enacted, might annihilate our present grain marketing system. We have to appear in Washington in opposition to these measures, but in many cases are prevented from doing so by lack of funds.

I believe our secretary should spend a large part of his time in Washington when Congress is in session, and that his presence there would be of incalculable benefit to the trade. It has even been proposed that we should move our office from Toledo to Washington, but if that is impracticable, certainly funds should be provided to maintain a representative there, and this should be done by increasing the dues.

Legislation

Last year at this time after President Coolidge had vetoed the first McNary-Haugen Bill



PRESIDENT-ELECT A. S. MacDONALD

that passed the gauntlet of both Houses of Congress, we were faced by the prospects of a similar enactment by the coming Congress, and as you all know, this bill was revised and passed both Houses and was again vetoed by the President. This second veto, which was one of the strongest documents ever presented to any Congress by a President, together with the refusal of both political parties to endorse this pernicious theory, seems to have finally buried the equalization fee in political oblivion.

Both political opinion and public opinion, however, is beginning to crystalize on some of the outstanding features of the general problem. It is almost generally conceded—at least by the politicians, this it is the duty of the national Government, by legislative enactment, to attempt to increase the prices of the products of the farm as compared with the prices of other commodities, including labor and transportation. I believe, therefore, that no matter which party comes into power next March, an effort will be made to enact legislation that will accomplish this purpose. Just what form such legislation will take it is impossible to predict, although it seems probable that it will be to encourage and foster the extension of the co-operative marketing idea by means of governmental aid.

Another plan which has been proposed is known as the "Export Debenture Plan." This, briefly, would provide a subsidy on the exportation of agricultural products, which, in the case of grain would (it is proposed) refund one-half of the prevailing duty of 42 cents on wheat and 15 cents on corn. Export debenture certificates issued for this refund would be accepted by the Federal Government in payment of importation duties. Such certificates would have a market

value closely approximating their face value. If the Federal Government in its wisdom decides that agricultural producers should have a subsidy in order to bring them to an equality with other lines of endeavor, the Export Debenture Plan is a simple economical and painless method of taking money out of the pockets of the taxpayer and giving it to the farmer. No expensive machinery or bureaucratic control such as was contemplated in the case of the equalization fee would be necessary. The taxpayers would assume the burden of the agricultural subsidy, the farmer would receive more money for his product, and the consumers would pay more for their food.

Such a plan, as is the case with every other plan for the artificial stabilization (meaning increase) of farm values, would be open to the basic objection that it would result in increased production such as was experienced during the war when an artificial stimulus was applied; and eventually if the plan worked, our production of wheat, for instance, would increase to a point where the exportable surplus would equal or exceed in amount, the volume of domestic consumption, and the taxpayers' burden would become intolerable. The world's surplus would also be increased and would depress export values to a point where the producer would be no better off than he is at present.

As I have repeatedly stated, the grain trade are more interested in seeing higher values for grain than are any other part of the body politic with the sole exception of the farmer himself. It seems almost unnecessary to repeat that a middleman can make greater profits and earn greater commissions and storage charges when handling high priced rather than low priced commodities, and that the grain trade as a whole would be more prosperous if higher prices prevailed for farm products.

We, therefore, would welcome and endorse any sound, economic plan that would permanently increase farm values. Any plan that would not be based upon the fallacy of stabilization "in this sense meaning manipulation" through governmental aid.

No such plan has as yet been presented, and in the very nature of things no such plan can be produced from the brains of our political masters.

None of our institutions is perfect. They are all, including the grain industry, in a state of flux—of progress—of development and of improvement. The grain trade is not lagging behind in this program of progress, and in spite of investigations—restrictive laws—governmental regulations, and political abuse, it is keeping step, if not taking the lead. Even that archpriest of co-operation, Aaron Sapiro, admits that co-operative organizations "can't handle wheat any more cheaply than the elevator companies now operating in the United States because they have their system perfected so that we cannot hope to excel it."

If this be true, and if Sapiro says it, it must be true, why single out the grain trade, one of our most efficient institutions, for annihilation? Why not attempt something new in other efficient lines of endeavor? Why not government ownership of railroads so that the products of the farm may be transported in competition with the grain of foreign countries, but at a loss. Why not take over the banking business and put an end to the burden of high interest rates due to Wall Street speculation? Why not abolish "trial by jury" with all of its attendant delays and miscarriages of justice and adopt a system of law enforcement that would protect society from the depredation of the criminal element?

If co-operation is good for the grain trade, why not apply it to other lines of industry? Give us Government aid and money to buy our coal and groceries co-operatively and put the coal and grocery dealers out of business. If co-operation is a panacea for industrial ills, why not apply it universally and be Socialists?

Why is the grain industry singled out for persecution?

The answer is because political ambition, fanaticism, and private interest has centered upon the agricultural problem and public interest has been attracted by the glittering plans of impractical dreamers due to the pernicious propaganda of the Committee of Twenty-Two and other organizations of the same kind, and because political agitation for farm relief is, in the opinion of the politicians, a "vote getter."

In my report a year ago I made the following statement:

"Conceding there is a farm problem, and that prices of farm products should be raised to a

higher level as compared with the prices of all other commodities; how is this to be accomplished? Shall we tax the public and subsidize the farm directly or indirectly by means of an export subsidy? Shall we reduce the tariff and thus theoretically reduce industry and labor to the level of agriculture? Shall we promote co-operative marketing on a national scale and thus theoretically only eliminate the middleman and his profits? Shall we organize the farmer so that he can hold back his products for higher prices? Shall we use any of these, or many other political remedies that have been proposed by the so-called farmers' friends, or shall we apply to the agricultural problem the same methods that industry and the railroads used when confronted by hard times after the war?

"They have successfully deflated and have come back to a high degree of prosperity. Agriculture has successfully deflated and has come back, possibly not to such a high degree as other lines, and now we want to bring it to the top. Did industry demand a subsidy or co-operative marketing or an equalization fee? Did they prosper by organizing to hold their products off of the market? Did they increase their profits by reducing their surplus? On the contrary the progress of industry, labor, and the railroads is the direct result of the production of additional surplus, but at little additional cost. More products per machine, more profits for the employer, more products per man, and more wages for the man."

"Agriculture has done the same thing but not to such a marked degree, and I believe the solution of the farm problem is in the economic field rather than in politics. The best minds in the country are working on it today, studying every phase of farm production and marketing. That is a good American way to solve a business problem; first find the trouble and then apply the obvious remedy, whatever it may be."

That statement is just as sound today as it was then, and we are beginning to hope that possibly out of the chaos of political agitation for farm relief there may come a plan that will solve the problem upon a sound, economical, non-political basis. Perhaps, the plan proposed by Robert S. Brookings, founder of the Brookings' Institute, which is now before the Senate Committee on Agriculture, may be the "light in the wilderness." Mr. Brookings' plan, briefly, is to industrialize the farm and to conduct agricultural production through large corporations upon a sound economic basis. When industries combine they close down the unprofitable plants. Mr. Brookings' plan would be to consolidate large acreages under corporate management, abandon the unproductive acreage, and through rotation of crops and summer fallowing to produce more bushels at a reduced cost.

If the farming industry demands equality with other industries, they should adopt the successful methods of these other industries and eliminate unprofitable plants from production, conserve man power, and reduce costs according to accepted modern methods, and should not demand that Government aid be granted to permit inefficient plants to remain in operation.

I believe this plan merits earnest consideration. It seems to be a step in the right direction at least to the extent that it proposes a method of farm relief upon a business-like basis, unburdened by bureaucratic control or governmental pap.

During the past year the association and the grain trade has suffered a great loss by the death of Past-president E. M. Wayne, for many years an active participant in our activities. We miss his presence at our meetings and his wise counsel in the conduct of our affairs.

In conclusion, it is my pleasure and privilege to try and express my appreciation for the wonderful service rendered to the association by the directors, committee chairmen and members. Such associates make this position a sinecure and a pleasure. I am sure no president could ever have more pleasant relations and such hearty co-operation as I have experienced.

Secretary Quinn has served us ably and for many years. The officers of the association may at times feel that our success depends upon their efforts, but after two years as president, I know that the success of our organization is due to our secretary. We must have a paid executive to carry on our work, and we are most fortunate in having Charles Quinn to serve us.

Mr. Hammond: We had a message a while ago from the Denver member who has already sent in two new applications for the 1928-1929 year. I think it is fitting that the association send him a telegram in reply, thanking him and congratulating him on what he is doing. Mr.

President, I will so move. (Seconded by Mr. Forbell, and carried).

The President: The secretary will kindly see that such telegram is sent. Mayor Malcolm E. Nichols, of Boston, was unavoidably detained, but he is now with us, and I know we shall take much pleasure in listening to a few words from him.

Mayor Nichols: As you know, the position of mayor of a great city is a somewhat active one, and I have been trying diligently for the last hour and a half to get here to the Statler to extend the greetings of this city to you. I feared you might have felt by this time that the city was perhaps wanting in its greeting. I assure you it is far otherwise. This city is open handed, cordial and generous in its welcome to all those that come within its gates. The trouble is people do not come to see us as often as we would like, but when they do come they like the city so well that many of them take up their residence here, and I would think, if the impression the city makes on most is that impression which it makes upon you, perhaps the City of Boston would hereafter be the permanent home of all those who came here to attend this convention.

There is one thing I have always observed. They say that Bostonians do not travel as much as some people. I travel a good deal, and perhaps not too much either, but I go about different places and see what other people are thinking, and what they say of the civic administration, and we hear a great deal about how great cities and enterprises are carried on, and I have



VICE-PRESIDENT-ELECT S. P. MASON

found this, that no matter where I went in this country, the name of the City of Boston is good. The credit of any one here doing business throughout the country usually is good. People like to do business with our business men, because they have found it is a very satisfactory thing to do business with a man who is successful in Boston. We are a city of successful business men, not a boom town, you know; not growing up over night; not trying to emulate the wildest dreams of the adventurers who came here in search of Cathay. This city is an old city, 300 years old next year, but it is a city that is showing, nevertheless, a steady and constant growth. Many people who are here in this room do not perhaps know much about this city. But the City of Boston has 800,000 people in it, and then there is another city grouped right around our city of a little more than equal size; so that the City of Boston, of which I have the honor to be the mayor, has 800,000 inhabitants, but the greater city of Boston, which is, after all, a social, political, economic, business and trade unit, is a city of pretty near 2,000,000 people, and a growing city all the time, growing at the rate of about 600,000 people every 20 years. That is to say, a city of the size of Pittsburgh has grown up here within 20 years. And since I have been living here, a matter of 30 years, this city has increased by about 800,000 or 900,000 people—I mean now the greater or metropolitan city. If you could see a plain level here, without a blade of grass on it, nothing but a clear level plain, and in the space of 20 years there should grow up there a community of 600,000 souls, with theaters, churches, schools, beautifully lighted streets, wonderful stores, such as we have here,

you would say that was incredible, and still in this old city, not a boom town, but a staid, dignified old city, with great traditions, that has taken place within the past 20 years, and that is the City of Boston you see here before you.

We are rich in traditions, in art, rich in music and in education. We have a history of which any community might well be proud; but beside that city of ancient traditions rich in history, in art and in music, there is another city, progressive, forward-looking, active in business and in manufacturing, the center of New England, the center of New England and Canada, and a competitor for the highest places among cities all over the country. And that is the City of Boston, to which you have come to hold your convention, and which welcomes you here today.

This city is greatly prosperous; it is increasing in its wealth and in its influence all the time. Its population, of course, is to be measured as a metropolitan population of nearly 2,000,000 people, rather than a city population of 800,000, because the tendency of the City of Boston is to expand itself and its business limits all the time, so that its own population here within the city limits is not growing as fast as it is growing on the outside. But here we are, a center of population, a center of influence, industrial and otherwise, in New England and Canada.

We owe much to two factors which we have here, and I often feel how important those two are. It is not our geographical location, because we are quite a ways from the center of supplies, quite a way from the center of population in the country; but we have two things here which have made New England famous and prosperous wherever her influence has been felt. What are they? They are our skilled labor, the best there is in the country, and the best business brains, except for those you find in your own town, that there is in the country. There are only two places you must see in order to see the whole country of America. One is the town you live in, the best place in the world except the town I live in, the City of Boston. It is local pride that makes your towns prosper; it is local pride that has much to do with the prosperity and advancement of any city. And by the development of local pride, together with business ability, industrial efficiency and the skill of labor, this city has gone forward. This city has never lost her place in the business and industry of the nation. I am very proud of the mayoralty. The city is progressing, we are building rapidly, and our resources are showing a satisfactory increase. We hope you will stay here with us, at least a reasonable time, and see something of the city. We just had a new line of South American ships come in here. We have one of the best ports in the world. It hasn't been developed as it should be, but it shows promise of great development in the next few years. We are just developing a great airport here. It isn't so much now, but when you consider the plans made to develop it, it has much to offer. It is through the radio and the telephone, through the air, through every important service on the road and railroad that this city is actually getting very close, physically and geographically close, to some of our enterprises that are far away. They all know us just the same, because it has been the ideals of New England that have seasoned and leavened the entire country, and they have been freshened and reinvigorated by such men as you, with your success in a great enterprise, who come here and give back to us what originally our people gave to the country in the days when the country was young.

Gentlemen, it is a great temptation to talk to you about this city, and the only danger is, if I got to talking, I would take too long, because a mayor usually gets to be quite a talker when you get him going. But it has been a great pleasure to come here and extend this welcome to you. I was met at the door by Eddie Morris, one of the most active men I know—I was in the Senate with him. And he began to tell me what a great crowd of boys they had here at this convention. And I said, "I know it, because we have a great crowd here in our grain association here in Boston," as you have recognized by coming here this year. I wish you all the success and prosperity in the world.

The President: S. P. Mason will respond to these hearty welcomes from Mr. Tapper and His Honor the Mayor.

Mr. Mason: It is a pleasure and privilege to respond to any address of welcome, but there is a special thrill at this convention. The thrill of welcome home. Boston functioned as a market when much of our farm land was prairie and when many of our railroads were in the future. Our predecessors left home, hewed

mightily, and we, the new generation, are gathered back at the hearthstone.

We were enthused when it was announced that this convention would be held in Boston; it is the ideal commingling of business and pleasure.

On every hand is evidence of your generous hospitality. Cordial must be our response to the well chosen words of your mayor and president. We will join in contemplation of a delightful visit and rejoice that we are your guests. Those of us who arrived yesterday, in anticipation of this meeting, have already noted your kindly welcome, your warm handshake, and we are convinced that the few days with you, will be happy and profitable ones.

It is customary, under the Boston Chamber of Commerce Rules, to guarantee arrival to the New England trade, cool and sweet, with 48 hours allowed for diversion. I am pleased to report our arrival, cool; our wives are sweet, and unofficially, the time for diversion will be lengthened this week to 72 hours.

Boston typifies America to us, and whether we think of Paul Revere, or Boston Scrod, William Dean Howells, or Beans and Brown Bread, Bunker Hill Monument, or Parker House Rolls, The Frigate *Constitution* or The Fragrant Cod Liver Oil, the America of Boston is before us.

When I saw Milk Street yesterday, I was reminded of a good old western story of a saloon in Sioux City, where the bartender was noted for his milk punch, and on a hot summer day a dusty grain man dropped in and said, "Give me a milk punch, one with a real punch in it, whisky and much of it." The bartender

only to strengthen and assist its own members, but in a broader way to gather and disseminate helpful information, to strive for the true betterment of the agricultural community on which our own success and prosperity is so necessarily dependent.

You members have assembled here as representatives of a great trade, coming from cities all over our nation. I hope you will enjoy your attendance. Ample time has been allotted for social and friendly duties, but it is well to remember that the business to be transacted requires our closest attention, as well as regular and punctual attendance at the business meetings.

To our hosts, the members of the Boston Grain, Flour & Curb Exchange, we are grateful to you for the gracious welcome you have accorded to us today. We anticipate that we will not only renew old memories and friendships, but that we will make new and intimate ones, and may the warmth of your welcome inspire us in our work and problems, and help us to achievements at this convention when agricultural, legislative, and administrative problems loom so large.

The President: We will now listen to the annual report of the secretary.

ANNUAL REPORT OF SECRETARY QUINN

YOUR secretary, in presenting his fifteenth annual report, will go into detail, as usual, in an endeavor to give you a picture of the activities of the association since the last annual meeting.

You will hear from the chairmen of the various committees and they will enlighten you regarding the work they have been doing in the last 12 months. No matter how complete these individual reports may be they are nevertheless fragmentary in their relation to all the work of the association. As your secretary is in direct touch with all association activities it will be his endeavor to give you a picture of what has transpired since the last convention.

The Grain Dealers National Association has completed 32 years of existence. These have been years of great activity and usefulness. Beginning in 1896, when the first great need for a national organization was felt, the association has met and overcome its problems one by one. At first these problems were mainly of an organization nature. It was necessary to bring about cohesion among the widely scattered grain men before anything of a constructive nature could be accomplished. This having been performed the association moved on to its real accomplishments—the establishment of uniformity in trade rules, the general acceptance of the principle of arbitration and the protection of the interests of its members in transportation and legislative matters.

Trade rules, arbitration, transportation! How routine most of these are now, especially the first two. They are accepted by every grain dealer as belonging to the natural order. They are settled policies whose value is disputed by no one. Both the trade rules and compulsory arbitration have been so perfected as the years came and went that little can be added or subtracted to make them more complete. Years of experience have produced necessary amendments until they are now well nigh perfect.

Only the older members will recall the heated controversies that attended their birth and adoption. Today no voice is raised against them except it be the voice of some member who has a slight amendment to offer in the interest of their improvement.

The transportation problem is, however, not so well settled. After innumerable battles with the carriers many of the questions that caused friction and controversy have been adjusted, but new ones continue to press forward. These require the constant attention of the Transportation Committee.

Legislation

It is in the field of legislation that the association finds its greatest difficulties. While activities in other lines of association endeavor have subsided the legislation work has grown and expanded until now most of the attention of the officers of your association is given to it.

Beginning with the great deflation of 1920-21 the work of the Legislative Committee began to assume unusual importance. The post-war troubles of the farmers were bound to attract the attention of the politicians. There has never been an agrarian depression that was not followed by political agitation, both in this country and in Europe.

In the beginning this agitation took the form of direct hostility to grain middlemen who were

accused of waxing fat at the expense of the producer. Today this argument is seldom heard. The farmers, having gone into the grain business through their co-operative companies, have learned the truth. They now know that grain is handled on the smallest possible margin of profit and that the charges made by their leaders against the grain dealers of the country were untrue. The farmers co-operative companies have been successful only where they were in the hands of competent local managers. Hundreds of them have gone to the wall and those that remain survive only because they follow the best practices of the independent grain trade.

This step forward in the evolution of the co-operative movement is significant. It has compelled the enemies of the present system of grain distribution to occupy new ground. Today they do not argue that the ills of the farmer are traceable to the "rapacious middlemen," but to other causes that were never mentioned when the agitation began in 1920-21.

The political shibboleths of the moment are "Equality for Agriculture," "Give the Farmer His Share of the National Income," "Either Raise the Farmer Up to the Level of Labor and the Tariff Protected Interests or Lower These Interests to the Level of the Farmer."

Nothing is said about the alleged excessive toll of the middleman. This is a distinct gain for the grain trade. It relieves it from an onus it never deserved. However, it throws the whole problem of farm relief into politics and



RETIRING VICE-PRESIDENT J. S. GREEN

mixed accordingly and placed the drink on the bar. An eastern preacher dropped in, saw the glass on the bar, supposing it to be milk, said, "I am a poor worker in the vineyard. I have traveled over the prairie for days, much of the time with insufficient food and drink. Won't you please give me that glass of milk?" "Certainly," replied the grain man. The parson lifted the glass to his lips, drank slowly, very slowly, but drank to the dregs. He wiped his lips with his coat sleeve, looked reverently to Heaven and devoutly said, "God, what a cow!"

One of the most serious matters with which we are confronted today is the tendency to find fault with and legislate against our present system of marketing in an endeavor to satisfy a consumer who considers prices too high and a producer who knows that they have been too low.

One or the other of these two forces is continually crying out against the grain exchange, forgetting that the exchange does not make prices, but simply registers the price at which the world buys and sells grain. Discontent must have an outlet and the grain trade has served too long as the object of criticism when prices seemed too high or too low. And if we are with you today to respond to your welcome and to discuss these problems, and through organization and co-operation continue to advance in efficiency, it is because of the right principles on which the grain trade is founded and for which the association stands, and has stood for in years past.

The association is increasing in strength and usefulness, and it outstanding in its efforts, not



SECRETARY CHARLES QUINN

this is bad for both the farmer and the grain trade because the economics of the situation are lost sight of in the scramble for office. It mixes up the question of farm relief with the tariff, prohibition, foreign policy and other purely political questions most of which are decided by the voters on the basis of inherited prejudice.

With a presidential election in the offing the grain trade may look for many bizarre and weird statements from political leaders. Promises will be made that are never intended to be kept. Oratory, fantastic and otherwise, will flow like the eternal brook. Men who know nothing of the farm problem and have never given it one serious thought will become dogmatic and propound impossible solutions.

But through all this clamor, noise and verbal smoke, the grain trade must not lose sight of this satisfying fact: *The agitators who in 1920-21 would destroy the grain trade have been forced to shift their ground!* They are now satisfied that the existing system of grain distribution is almost perfect. Aaron Sapiro, the great apostle of the co-operative movement in this country and Canada, said at a convention of co-operatives:

"When we go into co-operative marketing activities, do we say that we are simply going to try and get some little economy in the handling of wheat? No, because you and I know that we can't handle wheat, as far as the physical handling is concerned, any more cheaply than the big elevator companies that are now operating both in the United States and at terminal points and in the export handling of grain.

"When it comes to the economics of physical handling they have that system perfected so that we cannot hope to excel it. Those wheat

producers who talk about co-operative marketing as though it is some divine system which is going to assist in some way in cutting down the handling charges of wheat are simply fooling themselves. There is no such thought in co-operative marketing, but there is a man who is going to be fearfully busy among you later on during this convention who is going to tell you that is the purpose of co-operative marketing. Then he will prove that can't be done and then he will think he has defeated the co-operative marketing plan. You want to watch out for that particular man and that particular argument.

"We don't say that the purpose of co-operative marketing is to introduce any economy in the physical handling of grain, because we think that particular point is absolutely too trifling to bother about. What are we trying to do? When we talk co-operative marketing we say this: *We are interested in raising the basic level of the price of wheat!*"

This address was taken from "Co-operative Wheat Marketing," published by the National Wheat Growers Advisory Committee, 105 West Monroe Street, Chicago.

Mr. Sapiro's admission that the grain trade is handling wheat so efficiently that it is useless to endeavor to improve upon the system is only what the farmers have learned from their own co-operative efforts. In this address he definitely abandons the position that the cause of the farmer's troubles is due to the middlemen and he moves on to the position that relief can come only from "raising the basic level" of prices.

And this is the argument that the grain trade is now called upon to meet because it has been adopted, for campaign purposes, by the two great political parties, both in their respective platforms and in the acceptance speeches of their candidates.

Your secretary, with the indulgence of the convention, will endeavor to point out some of the fallacies contained in the argument that the "basic level" of grain prices can be raised by legislative or other artificial means.

The McNary-Haugen Bill

The McNary-Haugen Bill represents one of the futile attempts to attain a level not based on the natural law of supply and demand.

As every member of the association knows this bill has been before Congress four times. In 1924 and in 1926 it was defeated but in 1927 and again this year it passed only to confront presidential vetoes. So much has been written and said about this bill that your secretary will forbear to mention it except in a chronological way and to point out its connection with the present political agitation.

The bill was an answer to the belief, expressed by Mr. Sapiro that the grain middlemen are not responsible for the farm problem. Members of the association should keep this clearly in mind because it marks the turning point in the whole controversy. If the farmers, through co-operation among themselves, could not reduce the spread between the producer and the consumer the only thing left was to increase artificially the cost of the grain entering domestic consumption. Obviously the price could not be raised on the surplus because the surplus must be disposed of on a world level. The equalization fee was simply a scheme to differentiate between the price of the domestic grain and the grain that went for export.

But the bill failed to secure presidential approval for reasons known to everyone, not the least of which is that it is unconstitutional. Thus the equalization fee has disappeared from the political stage. It goes into oblivion unmourned and unsung. Both of the political parties have disowned it.

What is the Next Step?

What is the next step in the farm agitation? Having been driven from their position that the present system of grain distribution is wasteful, and having been forced to abandon the compulsory equalization fee, what are the politicians now advocating as a panacea for the ills of agriculture?

One may only surmise what the next step will be. The platforms of both parties and the acceptance speeches of both Mr. Hoover and Governor Smith leave much to be desired. No specific programs are outlined, although both candidates, by implication at least, would recommend some form of McNary-Haugenism with the equalization fee eliminated.

Mr. Hoover in his acceptance speech, placed emphasis on the promise "to build up, with federal finance, farmer-owned and farmer-controlled stabilization corporations which will protect the

farmer from the depressions and demoralizations of seasonal gluts and periodical surpluses." And Governor Smith believes that the remedy can be found in "co-operation, co-ordinated marketing and warehousing of surplus farm products."

What are these but other attempts to raise the "basic level" of agricultural prices through artificial means?

How can any corporation "stabilize" the price of a grain like wheat that has a large surplus which must be exported? No corporation that can be formed will possess magic or supernatural powers, even if it is "farmer-owned and farmer-controlled." As soon as the corporation buys and stores the surplus the buyers know it and consider the grain bought as part of the world's supplies. They would know how much was stored and where it was kept. All users of wheat would know that this stored grain must find its way into consumption before the next crop is marketed. Is there any reason to think that they would not take this stored grain into account when making bids?

There is no dream more iridescent than the belief that because a crop is stored it does not affect the market price. The grain can come out at any time and the buyers know it. Granting that the price did move up sharply following the corporation's buying it would have a lessening effect upon consumption and the corporation would be faced at the end of the crop year with a heavy carry-over and another crop ready to be added to the burden of "stabilizing" the price.



BOSTON GRAIN & FLOUR EXCHANGE

How is one crop to be prevented from piling up on top of another, unless the corporation gets rid of all its supplies within 12 months? And if it does this is not the buyer in the same favorable position as he is at present?

The recent heavy drop in wheat prices shows that there is no such thing as "stabilization." Wheat, being a world crop, must be sold on a world level and be subject to the natural law of supply and demand.

Why did not the all-powerful wheat pool in Canada prevent the decline in price? Officials of that pool, in a statement to their members, endeavor to represent that the pool cannot be held responsible for the decline in price. No intelligent grain dealers make such charges. They know that the pool has very little to do with world prices, although it never hesitates to tell the Canadian farmers that it was responsible for the high prices of the last few years. If their statement is correct they must bear the responsibility for the recent decline.

The fact is that since the Canadian pool started to function, four years ago, records show wider and more frequent fluctuations than ever appeared in four consecutive years in the history of the grain markets. The Canadian pool has failed either to keep prices up or to keep them steady.

And now we have the spectacle of both great political parties in this country bidding for the farmer vote and basing their programs on propaganda issued by the Canadian wheat pool.

But they propose to go further than Canada. The Canadian pool is not financed by the government but by the farmers and the Canadian banks. It is a private enterprise and as such it repre-

sents legitimate business. Both the Democratic and Republican parties promise the farmers that if elected they will turn the United States treasury over to them to finance their pools because, forsooth, "the time has come when the country is justified in making an economic experiment in the interest of agriculture."

And this experiment, it is obvious from the platforms of the two great parties and the acceptance speeches of the candidates, is to follow the trail blazed by Mr. Sapiro and raise the "basic level" of grain prices by "storing the surplus."

There might be some justification for this if agriculture were in the condition pictured by the farm leaders and if the "economic experiment" to be undertaken gave even a slight hope of success.

But no unprejudiced economist who has given the subject study will agree with the politicians. He knows that any "basic level" that is reached by legislative means is bound to be disastrous to the farmers for the simple reason that the first increase in prices is the signal for an increase in production.

How then can either party make good its pre-election promises? How can the surplus problem be disposed of unless a definite check is placed upon production, and everyone knows that this country is not Russia and has not yet reached the point where any government would attempt to tell its farmers how many acres of a given cereal they shall plant.

Now that the McNary-Haugen Bill has been eliminated from the equation it will become the duty of the grain trade, and all those on the outside who understand the farm problem, to educate the public in the economics of the new situation. The McNary-Haugen Bill appealed to many people because it attempted to place a check upon production through the equalization fee. With this check gone the new scheme to dispose of the surplus is like a steam boiler without a safety valve.

There can be but one outcome to any plan of surplus disposal along the lines advanced by the two great political parties. That this outcome is becoming apparent even to the politicians is shown by the statement made by one of the presidential candidates in his acceptance speech. He said:

"Objection has been made that this program, as laid down by the party platform, may require that several hundred millions of dollars of capital be advanced by the Federal Government without obligation upon the individual farmer. With that objection I have little patience. A nation which is spending \$90,000,000,000 a year can well afford an expenditure of a few hundred millions for a workable program that will give to one-third of the population their full share of the nation's prosperity."

What can this language mean unless it is the intention to "raise the basic level" of prices at the expense of the public treasury? Having come to the conclusion that grain is now distributed at the lowest possible cost, and that there is no hope for the farmers in merely destroying the present system, it is proposed to use public funds to purchase farm surpluses and dispose of them on a world level at a loss to the taxpayers in order to increase the price of the products that go into domestic consumption!

Will the country make such a dangerous departure from the accepted principles of sound economics? We do not think so. Once this principle is accepted how can Congress deny the same kind of relief to other industries, like coal for example, which is overburdened with a surplus?

Your secretary has gone into the matter of legislation at some length because he wishes to have you understand the seriousness of the situation. With the presidential campaign in full swing, and with both candidates bidding for the votes of farmers, extravagant promises are made, promises that in the very nature of the case cannot be kept, and if attempts are made to keep them the grain trade will be thrown into great disorder.

It is the duty of the members of the association to take counsel at this meeting, to canvass the situation fully and to decide upon the proper legislative course to follow during the next convention year.

The Caraway Bill

The McNary-Haugen Bill has not been the only measure that engaged the attention of the association since the last annual meeting. In addition to the several bills designed to effect farm relief, such as the measure embodying the so-called Debenture Plan, there was the Caraway

Bill, S. 1093. The purpose of this measure, so its author stated, was "to prevent the short selling of cotton and grain in futures markets."

This bill was reported out of the Senate without even going through the formality of giving the grain trade a hearing. This shows the temper of Congress before a presidential election.

Of course the Caraway Bill is opposed by the association because the grain trade knows from long experience the great value of futures trading. When the author of the bill says that "there is nothing in it to interfere with legitimate hedging, its purpose being simply to prevent short selling of grain and cotton that is not intended to be delivered," he displays an utter lack of knowledge of the functions of future trading and of the role played by the short seller. Every member of the association understands the economic absurdity of a futures market limited to so-called legitimate hedging purchases and sales. If it were not for the speculators who at all times are ready to purchase the futures from millers and grain dealers desiring to make hedging sales, and also to make the sales of the futures to millers and grain dealers desiring to make hedging purchases of the futures, the futures market could not exist. It is not necessary to labor further this point because all practical grain men understand it perfectly. The Caraway Bill, therefore, comes under the head of "dangerous" legislation because it attempts to "regulate" futures trading without a knowledge of either the importance of short selling or the effect such legislation would have on the entire marketing system. As Senator Caraway, the author of the measure, has announced that he will push his bill to a vote in the next session, it behooves the grain trade to keep a watchful eye on the progress of this proposed legislation.

The Capper Bill

At the last session of Congress there was introduced another bill, S. 3575, "to amend the Grain Futures Act." The author of this measure is Senator Capper, of Kansas. This bill has been rightly termed "the last word in bureaucratic impudence." Should the bill become a law the Grain Futures Administration would have absolute control over the contract markets. The bill is insidious and dangerous because it does not profess to abolish the futures markets but merely to "amend" the act of regulation. The Caraway Bill would eliminate the speculator from the market but the Capper Bill would so hedge him about with intolerable restrictions that he would be forced to retire.

This bill by the Kansas senator is simply another attempt on the part of the Federal bureaucracy to obtain more power. It would give the Grain Futures Administration complete control over the contract grades, and the grades applicable on the futures contracts. This would likely result in drastic extension of grades applicable on futures contracts, and also in arbitrary determination of differences, the effect of which would probably be to drive out all of the buyers, because in all probability the futures markets regulations would be looked at almost entirely from the seller's standpoint with disastrous results to the market.

Senator Capper, in recent interviews given out at Washington, blamed the futures markets for the heavy decline in the price of wheat, and expressed regret over the absence of a great co-operative marketing body in this country, but he neglected to mention the failure of the Canadian pool to hold up the market. He has announced that he will endeavor to secure the passage of his bill to amend the Grain Futures Act, presumably on the theory that such amendments as he proposes will prevent another decline in the price of wheat. The mind of the grain "stabilizer" is indeed hard to fathom. With future trading under complete control of a Federal bureau chief the futures markets, instead of being stabilized, would be destroyed.

The association will be called upon to combat the Capper Bill which would place in the hands of the chief of the Grain Futures Administration authority to make all the rules and regulations affecting futures trading. None of the contract markets would have control over their own rules. Such a situation would place these markets in the most abject position with reference to the bureaucrats at Washington.

One is compelled to wonder where the "federalizing" of the grain trade is going to stop. An idea of the growth of bureaucracy may be gained from the fact that in 1914, only 14 years ago, the Bureau of Markets, now known as the Bureau of Agricultural Economics, was established with an initial appropriation of \$25,000. An annual appropriation of about \$4,000,000 now goes to this bureau alone. And still the demand

continues for more and more extension of authority.

The Frazier Bill

One of these demands is seen in the Frazier Bill, S. 1159. This measure would substitute Federal Inspection outright for the existing system of Federal Grain Supervision. Should this bill, which was introduced in the last session, become law, the Bureau of Agricultural Economics would have complete charge of all grain inspectors whose salaries would then be paid by the Federal Government and not by the grain exchanges or the states that now have state inspection. Such a law would add immensely to the power of the bureau and give it further control of the trade.

To offset this bill Senator Shipstead, of Minnesota, introduced S. 2533, to repeal the Grain Standards Act entirely. These two bills, one to enlarge the power of the Bureau of Agricultural Economics, and the other to take away what power it now has over grain grading, are not without their humor. The Shipstead Bill, it has been said, was introduced as a "counter-irritant" to the Frazier Bill. Be that as it may the farmers are beginning to sense the fact that bureaucracy is an expensive luxury whose upkeep is extremely burdensome to those it is supposed to benefit. The producer has learned that he must foot the bills while the benefits promised him are not forthcoming.

The association did not take any part in the controversy over either the Frazier Bill or the

failing in large numbers in the middle west, many members of the association were hit hard when their drafts were applied to the assets of the failed banks. When the receivers of the banks made final settlement with the creditors the drawers of the drafts received in some cases but a fraction of the face value of their drafts.

The Strong Bill seeks to remedy this condition. It provides "that transferors for collection of negotiable instruments shall be preferred creditors on national banks in certain cases," and then goes on to explain that "upon the appointment of a receiver of any national bank the transferor of a negotiable instrument transferred to such bank for collection shall be a preferred creditor of such bank in the amount of the liability of such bank as collection agency if such negotiable instrument has been collected, either in whole or in part by such bank."

Your secretary respectfully suggests that the convention endorse the Strong Bill by resolution and urge its adoption by Congress. The bill imposes no hardships on anyone but simply does an act of common justice to shippers who send their drafts to distant banks for collection.

Arbitration

The following table covers the work of the Arbitration Committee during the year:

| | |
|---|----|
| Number of cases at the beginning of the convention year | 29 |
| Number of new cases filed during the year..... | 23 |

| | |
|---|----|
| Total | 52 |
| Number of arbitration decisions during the year | 23 |
| Cases withdrawn | 3 |
| Cases settled direct..... | 8 |
| Cases dismissed | 3 |
| Cases pending | 15 |

| | |
|---|----|
| Total | 52 |
| Appeal cases pending at the beginning of the convention year..... | 4 |
| Cases appealed during the year..... | 7 |

| | |
|--|----|
| Total | 11 |
| Appeal cases decided during the year.. | 5 |
| Appeals withdrawn | 2 |
| Appeal cases pending..... | 4 |

Total 11

As will be seen there were but 15 arbitration cases pending at the end of the convention year as against 29 reported at the last convention. This great reduction in the number of pending cases was largely due to the fine work of the arbitration committees during the last year. They sent in 23 decisions as against 13 for the year before.

The association has not in the last 10 years had such a small arbitration docket as at present. The decline in the number of cases filed for arbitration is gratifying. It shows that the members are becoming more and more acquainted with the trade rules and with their rights and obligations thereunder. The splendid work of S. P. Mason, chairman of the Trade Rules Committee, in answering trade rule questions has doubtless been a factor in decreasing the number of disputes. His replies to inquiries are published regularly in *Who is Who in the Grain Trade* and are thus brought to the attention of the entire membership.

Your secretary desires to bring to the attention of the convention the necessity for an amendment to Paragraph 3 of Sub-section (c), Article II of the Constitution of the Association relating to membership. This paragraph reads:

"3. Country grain shippers who are members of an association, affiliated with this association, shall be affiliated members of this association; but receivers, track buyers, brokers and others who are eligible to direct membership in this association, shall not, by reason of their membership in an affiliated association, be entitled to rights and privileges of affiliated membership in this association."

The above quoted paragraph has been the subject of considerable correspondence during the year with the secretary of one of our affiliated associations. He has enrolled in his membership several terminal market dealers who do not belong to the national association. He asserts that these several members, under paragraph 3, quoted herein, are not affiliated members of the national association and are not entitled to the rights and privileges of affiliated membership, among which rights and privileges is compulsory arbitration.

Several weeks ago one of our direct members asked for arbitration with one of these several members already mentioned and the secretary of the affiliated association refused to honor the



C. D. STURTEVANT
Omaha, Neb.



F. E. WATKINS
Cleveland, Ohio



CHARLES QUINN
Toledo, Ohio



G. E. BOOTH
Chicago, Ill.



J. S. GREEN
Louisville, Ky.



R. W. HALE
Nashville, Tenn.

EXECUTIVE COMMITTEE, 1927-28

Shipstead Bill. No hearings were held on the former bill and as the latter measure was largely a fight among the farmers themselves it was deemed expedient to pursue a policy of "watchful waiting."

The association is committed to Federal supervision but is opposed to any further extension of bureaucratic authority in the grading of grain.

President Sturtevant, in his annual report, will tell of the efforts of the association to secure the repeal of the tax on cash and future grain transactions. This tax was first placed in the revenue bill of 1917 as a war measure and it has been there ever since. It is not a revenue producer, the cost of collecting the tax being out of all proportion to the amount of money it brings in. It is, in short, one of the "nuisance" taxes that the grain trade has for several years been trying to abolish.

The Strong Bill

Your secretary desires to bring to the attention of the convention a bill that deserves the support of every business man in the country. It is known as the Strong Bill, H.R. 13153. This bill was introduced in the House on April 18 last by Congressman Strong of Kansas.

The purpose of the measure is to protect shippers who issue drafts and send them through distant banks for collection. Recent court decisions have virtually made the drawer of a draft a depositor in the collecting bank so that, in event the bank of collection fails, the shipper becomes a depositor in it with such rights only as ordinary creditors.

Grain dealers have always regarded such court decisions as an outrage on common justice, because the drawer of the draft is in no sense a depositor in the failed bank which bank acted only as a collection agency.

Several years ago when country banks were



W. M. RANDELS
Enid, Okla.



L. W. FORBELL
New York, N. Y.



GEORGE E. BOOTH

request on the ground that the defendant in the case was not an affiliated member of his association, although enrolled as a member. He took the position that all grain dealers in affiliated territory, who were eligible for direct membership, but who choose instead to join the affiliated association, were not affiliated members within the meaning of Paragraph 3 and that consequently arbitration between them and direct members could be obtained only with their consent.

This position is, of course, untenable, although technically it might be sustained under Paragraph 3 as it reads at present. However, it was never intended by the framers of the constitution and by-laws of the national association that any affiliated association should have different classes of members, some of whom might evade arbitration while others should be bound to arbitrate all trade differences with direct members.

Such a situation cannot be permitted to continue if universal compulsory arbitration is to be made a cardinal principle of the National association.

There should be no members of the Grain Dealers National Association or any of its affiliated bodies who is not subject to compulsory arbitration. A track buyer, broker, commission man or receiver who joins an affiliated association and refuses to become a member of the national association should be placed on the same footing with reference to arbitration as any other member of that affiliated association. He should not be allowed to become a free lance and do business with direct members under the guise of affiliation unless he abides by the compulsory arbitration rule. The mere fact that he is eligible to direct membership should not be used as a shield to protect him from the plain obligations



H. R. WILBER
Jamestown, N. Y.



DONALD A. DAILEY
Rochester, N. Y.



L. C. McMURTRY
Pampa, Tex.

devoutly to be wished. When this work is completed every state will recognize the validity of arbitration awards and will enforce them in their courts. Your secretary earnestly suggests that the convention endorse the work of the American Arbitration Association and give it every assistance in its power in securing the enactment of the Arbitration Act in every state legislature.

Trade Rules

S. P. Mason, chairman of the Trade Rules Committee, will submit to the convention several proposed amendments to the present rules. He has been in correspondence with Pacific Coast members relative to diversion of shipments after contracts have expired.

The far western members maintain that the situation in their territory is different from that of the middle west and they are demanding relief from past decisions of arbitration committees of the national association. These committees have uniformly held that diversion must take place within the life of the contract.

A. H. Hankerson, the California director representing the San Francisco market, has prepared the following rule for submission to his convention:

"On shipments destined to the Pacific Coast moving westerly in natural trade routes, but not backhauled, and which are diverted at Denver or points west thereof, the date of shipment from the original billing point shall be considered the date of shipment."

It is possible that the members of the association on the Atlantic Coast, especially those in New England, will want a similar rule. At any rate the suggested rule written by Mr. Hankerson is worthy of the most thoughtful consideration of the convention.



J. R. MURREL, JR.
Cedar Rapids, Iowa



F. G. HORNER
Chicago, Ill.



DAN M. JOHNSON
Essex, Vt.



A. H. HANKERSON
San Francisco, Calif.



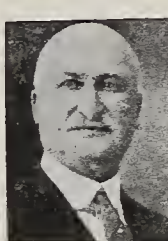
W. H. HARTER
Minneapolis, Minn.



W. A. HOTTENSEN
Milwaukee, Wis.



E. A. BOYD
Spokane, Wash.



J. L. KLECKNER
Neillsville, Wis.



A. N. SHEFFIELD
Battle Creek, Mich.



W. G. KIRKPATRICK
Great Falls, Mont.



W. J. EDWARDS
St. Louis, Mo.

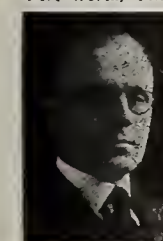
DIRECTORS OF THE GRAIN DEALERS NATIONAL ASSOCIATION FOR THE YEAR 1927-28



GEORGE B. WOOD
Buffalo, N. Y.



W. W. MANNING
Fort Worth, Texas



H. W. REIMANN
Shelbyville, Ind.



F. E. WATKINS

that are assumed by all other members, direct and affiliated.

Your secretary respectfully suggests that Paragraph 3 be amended by the inclusion of the following proviso:

"Provided, That nothing contained in this section shall be understood to relieve any member of an affiliated association who is doing a grain, seed or feed business from compulsory arbitration with direct members of the national association."

Paragraph 3 will then read in full as follows: "3. Country grain shippers who are members of an association affiliated with this association shall be affiliated members of this association; but receivers, track buyers, brokers and others who are eligible to direct membership in this association shall not, by reason of their membership in an affiliated association, be entitled to the rights and privileges of affiliated membership in this association. Provided, That nothing contained in this section shall be understood to relieve any member of an affiliated association who is doing a grain, seed or feed business from compulsory arbitration with direct members of the national association."

Before dismissing the subject of arbitration your secretary desires to draw to your attention the splendid work that has been done by the American Arbitration Association which fine organization is trying to do for all branches of American business what the Grain Dealers National Association has done for the grain trade.

Dr. Wesley A. Sturges, professor of law at Yale University, is to address this convention on behalf of the American Arbitration Association. He will tell you about the progress that has been made by the American Arbitration Association and he will submit for your approval a copy of the State Arbitration Act. It is the intention to have each one of the 48 states adopt this act, so that there will in the future be uniformity and not chaos in arbitrating both interstate and intrastate cases. A number of the state legislatures passed the act at their sessions last winter. It is planned to keep up the work until all the states fall into line. This is a consummation



J. A. STURGES
Easthampton, Mass.



REEVE HAROEN
Hamburg, N. J.



O. B. KEVIL
Silkston, Mo.



R. W. HALE
Nashville, Tenn.

At the Omaha convention President Sturtevant was directed to appoint a committee of three to investigate and report to this convention on the subject of jurisdiction in arbitration cases. This action of the Omaha convention grew out of a dispute that arose between two grain concerns in a terminal market. These two companies were members of both their local grain exchange and the Grain Dealers National Association. One of the dealers insisted upon arbitration before the association while the other demanded arbitration before the local exchange.

This dispute over jurisdiction was presented to the Board of Directors of the association a little over a year ago and they decided that in such a controversy the case should be arbitrated before the grain exchange of which both parties were members.

S. P. Mason was selected by President Sturtevant as chairman of the committee and he will present to this convention a rule that will, it is hoped, be satisfactory to all the members.

It is obvious that both the local exchange and the association cannot have jurisdiction in such cases. One must give way to the other. The directors felt that such disputes should be arbitrated before the local exchange because they are purely local cases growing out of local conditions, rules and regulations and local committees are fully competent, and should, dispose of the controversies. The rule submitted by Mr. Mason and the other members of his committee is:

"The Arbitration Committees of the Grain Dealers National Association shall not, except by consent of both parties, assume jurisdiction over transactions between members of the same regularly organized board of trade or grain exchange when such transactions are subject to the terms of such board of trade or grain exchange."

Mr. Mason's committee prepared another rule for submission to this convention. This second rule is intended to cover a situation that arose in another terminal market over an arbitration decision. Objection was made by the members of the local exchange in question to the said deci-



W. O. FEHLING



C. C. ISELY



L. H. CONNELL
Denver, Colo.



W. CAKEY COOK

sion because it criticised certain trade rules of the exchange as unjust to outside parties. Mr. Mason will submit the following rule to cover this situation:

"When transactions are subject to the terms of a regularly organized Board of Trade or Grain Exchange the Arbitration Committees of the Grain Dealers National Association shall render their decisions in accordance with the terms of such Grain Exchange or Board of Trade, and such terms shall be binding upon the Arbitration and Appeals Committees of the Grain Dealers National Association."

The purpose of this rule, it is apparent, is to prevent public criticism of the trade rules of any grain exchange in cases where the contracts covering the arbitration stipulated such trade rules. If a dealer does business in a given market he is presumed to know what the rules of that market are and when he signs a confirmation on the "Terms" of that market or exchange he is at once estopped from declaring such terms unreasonable or unjust. As a matter of fact the rules of all the grain exchanges are pretty much alike. There are a few minor differences due to local conditions, but in the main the rules of the various exchanges differ little. It has generally been the policy of the Arbitration Committees of the association to follow the plan suggested by the new rule framed by Mr. Mason, but heretofore there was no specific rule in the association making it mandatory upon the committees to do so.

Transportation

Henry L. Goemann, chairman of your Transportation Committee, will have an interesting report to make to the convention. A number of important traffic problems presented themselves for solution during the year.

One of these problems intimately concerns all country dealers who ship to terminal markets. It relates to the overloading of cars. The car service division of the American Railway Association has started a campaign to induce grain shippers to load cars to the full carrying capacity. It has sent out circular letters to grain shippers reading:

"Reduce the expense of loading, the unit cost of handling, the demurrage and switching charges and the track space required for your traffic by loading box cars to full carrying capacity. Look for the load limit mark! The actual capacity of a box car is the load limit figure rather than the nominal capacity plus 10 per cent. Load to the weight prescribed by the load limit!"

Should grain shippers follow the advice contained in this circular they would be placing themselves at the mercy of the buyer because if the grain is loaded beyond the 24-inch line samplers cannot obtain representative samples, and until such samples are taken the grade cannot be determined until the buyer begins to unload. Considerable time may pass between the arrival of the car and the unloading and all this time the hazard of ownership rests with the shipper.

The tariff provisions for loading to within 24 inches of the roof, or to the grain line, or to full visible capacity, were modifications secured by Mr. Goemann. It was a hard fight with the railroads and Director Hardie to get away from the marked capacity minimum weight of war times.

The grain trade must of necessity have not less than 24 inches space between the grain and the roof of the car to permit a yard sampler to use his probe properly. If the sampler cannot get the proper inspection he marks the grade certificate "Surface Inspection" or "Heavy Load." Cars with such certificates are penalized by discounts, based on fear of plugged cars. Some dealers have notified all market men that they will not buy or handle cars with such blots on the certificates.

Every member of the association is in complete sympathy with the efforts of the carriers to increase their efficiency and to move more goods with less engines and cars, but there is such a thing as going too far. Loading to the limit mark is not practical in the case of grain which must be inspected and this inspection cannot be made unless the sampler can get into the car and use his probe.

Mr. Goemann will explain this whole problem to the convention and ask for instructions. He is opposed to the efforts of the carriers to vitiate the 24-inch rule which he obtained only after a long fight. When he began negotiations with the railroads he asked for 30 inches, or two and one-half feet space between the grain and the roof of the car but he finally compromised on 24 inches. This is indeed little enough space in which to obtain samples. To load to the car limit would

mean that even this space would be sacrificed in the interest of the carriers.

Uniform Grades

A. H. Beardsley, chairman of the Uniform Grades Committee of the association, will, in his report to this convention, mention the work of his committee. The work has not been heavy this year owing to the fact that there was but one change made in the grain grades and no new standards were established.

The one change was in the grades for oats, the department of agriculture creating a "cereal" grade. The ruling of the department is as follows:

"Cereal Oats. Cereal oats shall be oats that have been sized with the result that their commercial quality is not reflected by the numerical grade designation, including sample grade alone. Cereal oats shall be graded and designated according to the grade requirements of the standards applicable to such oats if they were not cereal oats, and there shall be added to, and made a part of, such grades designation the word 'cereal.'"

Mr. Beardsley will also in his report refer to the Frazier Bill, S. 1159, which would establish Federal inspection outright instead of the present Federal supervision and he will also touch upon the Shipstead Bill, S. 2533, which would repeal the Grain Standards Act. As your secretary treats these two bills in his legislative report no further mention of them will be made here.

The chairmen of the Committees of Crop Re-



R. N. MacDonald and C. J. B. Currie, Boston

ports, Grain Products and Rejected Applications will make their reports to this convention.

The Committee on Rejected Applications had but one case to consider during the year. The Grain Products Committee was not very active due to the fact that the feed interests of the association have settled down and are working smoothly under their new feed rules. These rules have been in operation long enough now to be thoroughly understood by the feed dealers. All of the feed disputes between members of the national association are arbitrated by the association's Feed Committee and this committee is doing excellent work.

Adolph Kempner, chairman of the Crop Reports Committee, will present an interesting report to the convention in which he will touch upon some recent Government crop reports. These reports, as the trade is aware, have caused considerable embarrassment, not to say loss, to many grain dealers because of their inaccuracy. There have been times when the Government has, almost over night, added to or deducted many millions of bushels from the reports. These changes in figures, after the reports were given out, greatly upset the trade.

The function of the Crop Reports Committee of the association is not to gather statistics concerning growing crops or crops that have been harvested, but to act as a sort of liaison committee between the grain trade and the Department of Agriculture, pointing out the weaknesses of the Government reporting system and making suggestions for improvement. The work of the committee, it will be seen, is very important and is of great value to the trade. It is, of course, always easy to criticize, but not so easy to offer constructive suggestions for improvement. The Crop Reports Committee of the association never stops at merely pointing out

the defects in the Government's crop reporting work, but it always endeavors to be of real value to the Department of Agriculture by showing how these reports may be improved.

Membership

The following table shows the membership of the association—direct, associate and affiliated: Number of direct and associate members on October 9, 19271,132 Direct and associate members secured since the last convention 221

Total 1,353

Direct and associate members in good standing on September 22, 19281,148 Number of delinquents 66 Direct and associate members lost during the year from the following causes:

Resignations 90 Gone out of business 26 Dropped for non-payment of dues.. 21 Dropped from membership list for violation of Section 5 of the Grain Standards Act 2

Total 1,353

Net increase in Direct and Associate members during the year, 82.

AFFILIATED MEMBERS

Affiliated members reported at the last convention2,324 Affiliated members on September 22, 1928...2,166

Decrease 158

DIRECT, ASSOCIATE AND AFFILIATED

Total number of direct, associate and affiliated members reported at the last convention3,456

Total number of direct, associate and affiliated members on September 22, 1928...3,380

Decrease 76

The convention year just closed has been more successful, from a membership standpoint, than any year since the great deflation of 1920-21. The number of new members secured is greater, and the number lost is less, than in any of the last seven years. For the first time since 1920 your secretary is able to come to a convention showing a net gain in direct and associate membership. This net gain is 82.

From 1914 until 1920 inclusive, a period of seven years, there was a net gain in membership every year. This covered the World War and the two years of prosperity that followed the signing of the armistice in 1918. These were "seven years of plenty." The law of compensation would naturally suggest "seven lean years" to follow and that is just what the association experienced. In each one of these seven lean years more members were lost than were enrolled.

And now we seem to have at last liquidated the troubles of the reconstruction period that followed the war. The seven "lean years" have come and gone and the association may look hopefully toward the future. The annual net loss has been turned into a net gain and it is hoped that each succeeding year will see an increase in membership.

It will be observed from the membership table herewith submitted that there has been a net loss in affiliated memberships during the year. This is due to the fact that the association lost two affiliated organizations. They are the Vermont Grain Dealers Association and the Massachusetts Retail Grain Dealers Association. These two organizations went out of existence when the New England Grain Dealers Association was formed last winter. They turned all their members over to the new association which is designed to cover the whole of New England. The New England Grain Dealers Association has not as yet been affiliated with the Grain Dealers National Association. Before the New England Grain Dealers Association absorbed the Vermont and the Massachusetts organizations the National had 20 affiliated associations. This number has, of course, been reduced to 18.

A gratifying feature of this year's membership campaign was the number of new associate members secured. Eighteen such members were landed during the year, making a total of 47 associate members enrolled.

Your secretary has always believed that here was a large field which has been somewhat neglected in the past. There are many reputable firms that are engaged in the allied industries. These concerns are supported by the grain and feed trades. They supply grain and feed ealers

with many products such as ingredients that enter into the manufacture of feed, grain cleaning machinery, elevator building and engineering, belting and bags, feed milling machinery, etc. A more earnest attempt was made this year to enroll these concerns and the success that attended the effort is cause for congratulation. There are many such firms still outside the association, but they will be continually solicited and it is expected that ultimately most of them will join.

And why should they not become associate members? They are dealing with grain and feed dealers every day, and their interest in the success of the association is second only to the interest of the grain and feed men themselves. One of the cornerstones of the association structure is the raising of the ethical standards of doing business. The concerns in the allied industries profit from this work as much as the direct members and they should all be asked to contribute to the association's support.

President Sturtevant will at this convention present prizes to the four members who stood the highest in the roll of honor list during the regular booster campaign which closed on July 28. These four are: Leo Potishman, Fort Worth, Texas; the Stratton Grain Company, Chicago; E. P. Wingate, Denver, Colo.; and C. B. Helm, Cleveland, Ohio.

The winner of the first prize secured 36 new members; the second prize winner landed 19 and E. P. Wingate and C. B. Helm each induced 10 to join.

The attention of the entire membership should be directed to the great work of Mr. Potishman. This young Texan proved a tower of strength to the campaign. He set the pace for the others and inspired them to unusual efforts. Every year some particular booster comes to the front as a membership getter. This was a Potishman year. The association owes him a debt of gratitude for his fine work. He has shown what can be done when a member really makes up his mind to the task of increasing the membership. The thanks of the members is also due the 71 other successful boosters as well as those who sincerely tried to get new members through the mail but failed. They all contributed to the success of the campaign.

The second prize winner was in reality George E. Booth, of Chicago, who secured 24 new members. Mr. Booth, however, served notice at the Omaha convention a year ago that he would not accept a prize this year. This is because he has won several booster prizes in the past and this year he wished to give some of the other members of the big Membership Committee a chance. He wanted the other members to know that he is interested primarily in building up the association and is not doing the booster work because of the prizes that are offered. Located as he is in the great Chicago market he has many opportunities to secure new members that are denied others less favorably situated, and he did not wish the other members of the association to think that he was taking advantage of his favorable position to win prizes. His elimination of himself as a possible prize winner was manly and showed more than words his loyalty to the association.

Of course, none of the other boosters entered the campaign merely to win prizes, even though the prizes given by the association have considerable intrinsic value. They became boosters because of their interest in keeping up the membership and making the association strong and of value to the trade. Once in the campaign, however, it is only natural that they should desire to excel the others and end the canvass as close to the top of the roll of honor list as possible.

It will be of interest to the members to know that there were 75 names on the roll of honor list this year. This means that that number of members secured one or more applications during the campaign. In addition to the prize winners two boosters landed eight new members each, one got six, one secured five, two each induced four to join. There were four boosters who each obtained three applications and 15 others who landed two new members each. Forty-six boosters each coaxed one new member to sign application blanks.

It is indeed safe to say that there are few organizations in the country that can boast of such loyal and sincere members as the Grain Dealers National Association. When about 200 each year enroll in the booster canvass there is every evidence that the association is a live institution. So long as this interest is maintained the future of the association is assured.

At this convention there will be distributed a card pledging the signer to get at least one new member for the association during the coming

year. At the Omaha convention such cards were signed by 105 members and, as has already been stated, 75 of them made good their promises. The value of the card rests in the fact that it keeps the promise in the mind of the signer. It has proved a success and it will be continued.

Before dismissing the subject of membership your secretary has a recommendation to make to this convention. It concerns the changing of the names of members. The recommendation to be made here is the result of an arbitration case which caused the directors of the association some embarrassment during the year.

One of the members was engaged as a defendant in an arbitration dispute which was in the hands of an arbitration committee. This defendant requested your secretary, in a formal letter, to change the name of his company, from say John Doe & Co. to The John Doe Company. Your secretary sent the change to the Board of Directors of the association and it was approved as a matter of course. Some weeks afterwards the arbitration case was decided and a large award was given against the said defendant who declined to pay it on the ground that John Doe & Co., (the defendant) was no longer in existence. He stated that the affairs of John Doe & Co. had been liquidated in the courts, that the company was insolvent and unable to pay the award and that The John Doe Company had succeeded John Doe & Co.

As the directors of the association had ac-



MR. AND MRS. DAVID SMITH, LAKE ODESSA, MICH.

cepted the membership of The John Doe Company they could neither force payment of the award nor expel The John Doe Company which concern is still a member and doing business with other members who do not know that they morally, although perhaps not legally, defaulted in their contract with the association.

Your secretary respectfully suggests that another section, to be known as Section 8, be added to Article III of the By-Laws. This article relates to "Membership and Dues." The new Section 8 would be to this effect:

"Sec. 8. No change in the name of a direct member shall be made by the Board of Directors of this association while the said member applying for such change is at the time a party to an arbitration case that is pending, or has not satisfied an arbitration award."

Financial Statement

The financial statement of the association for the current convention year is quite satisfactory. The surplus is slightly larger than that reported at the last annual meeting, notwithstanding the heavy expense incurred for legislation and other highly important activities. The statement shows a surplus amounting to \$11,809.98.

The surplus reported at the last convention was \$11,463.72. The increase is \$346.26.

At the Omaha convention a year ago the question of raising the dues was discussed and President Sturtevant was instructed to appoint a committee of three to canvass the situation. This committee, of which F. E. Watkins, former president of the association, is chairman, will report to this convention.

There is no doubt that the activities of the association could be greatly enlarged by an increase in the dues. Every member fully realizes

the seriousness of the situation with both of the great political parties pledged in the coming election to the encouragement of co-operative pools to "stabilize" the market. While these pledges are intended to catch the farmers' votes yet there is no doubt that efforts will be made in the next Congress to carry them into effect. This will mean larger expenses on the part of the association during the next year. It is for the convention to decide what action will be taken with reference to increasing the dues. Whatever is done will be satisfactory to the officers of the association who will cut the clothes according to the size of the cloth.

The books of the association are each year audited by chartered accountants and their report is presented to the auditing committee appointed at the convention. Following is the financial statement:

FINANCIAL STATEMENT OF THE GRAIN DEALERS NATIONAL ASSOCIATION, COVERING THE PERIOD FROM OCTOBER 10, 1927, TO SEPTEMBER 23, 1928, INCLUSIVE

| | | |
|--|-------------|-------------|
| Who Is Who... | 974.50 | |
| Cash on hand last report | \$5,136.72 | |
| United States Liberty Bonds | 5,000.00 | |
| Certificate of deposit | 1,000.00 | |
| Petty cash account | 327.00 | \$11,463.72 |
| Receipts | | |
| Direct and branch dues | \$18,465.00 | |
| Direct and branch memberships .. | 3,681.00 | |
| Associate dues .. | 468.00 | |
| Associate memberships | 468.00 | |
| Regular subscriptions to Who Is Who | 642.00 | |
| Affiliated subscriptions to Who Is Who advertising | 13,955.04 | |
| Sundries | 521.72 | |
| Arbitration deposit fees | 990.00 | |
| Affiliated dues ... | 974.50 | |
| Investments | 207.06 | |
| Subscriptions to Briefs on Co-operation | 16.00 | |
| Total receipts... | | \$41,362.82 |
| Grand total | | \$52,826.54 |
| Expenditures | | |
| Salaries | \$12,780.76 | |
| Office supplies .. | 936.89 | |
| Express and telegrams | 192.44 | |
| General printing.. | 439.09 | |
| Who is Who in the Grain Trade | 14,540.70 | |
| Office rent | 1,804.11 | |
| Telephone rent and tolls | 132.60 | |
| Refund arbitration deposit fees | 925.00 | |
| Legislative expense | 2,413.57 | |
| Officers' traveling expense .. | 593.00 | |
| Secretary's traveling expense .. | 735.84 | |
| Postage | 1,315.00 | |
| Sundries | 200.14 | |
| Convention expense | 2,840.17 | |
| Arbitration expense | 680.78 | |
| Refund application fee | 20.00 | |
| Transportation expense | 466.47 | |
| Total expenditures | | \$41,016.56 |
| In Bank: | | |
| Commercial account | \$11,487.28 | |
| Petty cash account | 327.00 | |
| | | \$11,814.28 |
| Outstanding check | 4.30 | 11,809.98 |
| | | \$52,826.54 |

Conclusion

The report of your secretary would not be complete did he not make reference to the splendid services given the association during the

last year by President Sturtevant. At this convention your president will retire. He has been at the head of the association for two active and anxious years and he has acquitted himself with great credit. There has not been a time when he was not ready to make any sacrifice demanded by his position. Unassuming and courteous, able and efficient, he has been a president who was a great asset to the grain trade in his appearances in Washington. The thanks of the members are due him for the sacrifices he has made in their behalf. The association has had some great presidents in the past but none of them brought more credit to the trade than C. D. Sturtevant.

Your secretary, before closing, wishes also to mention the good work of Henry L. Goemann, chairman of your Transportation Committee; B. E. Clement, chairman of the Committee on Legislation; S. P. Mason, chairman of the Trade Rules Committee; W. H. Harter, chairman of the Membership Committee; and the chairmen and members of the various arbitration committees. The work of these loyal men is not spectacular, hence their names do not often appear in print. But they care nothing for this. Their hearts are in their work and their compensation is derived from the knowledge that they are helping their fellow grain men in a cause they love. Your secretary hereby acknowledges their splendid efforts and their courteous and able co-operation. It has been a great pleasure to have had the privilege of working with them.

The President: The By-Laws provide that at



LEO POTISHMAN
Winner of First Booster Prize

this session the president shall appoint a Nominating Committee of seven members, which committee shall present a list of candidates at the Wednesday session. I will appoint the following on this committee: Fred Horner, chairman; W. J. Edwards, W. A. Hottensen, John T. Buchanan, and F. A. Theis, Mr. King of Philadelphia, and Charles Flanley of Sioux City.

It has been customary to appoint a Resolutions Committee, and a Special Committee to consider the recommendations of the secretary and the president. I will appoint the following as the Committee on Resolutions: Fred Watkins, chairman; R. W. Hale, George Booth, George Wood, John Green and John Caldwell.

The Special Committee to consider the recommendations of the secretary and the president will be made up as follows: Bert Dow, chairman; H. W. Reimann, and W. W. Manning.

The secretary just advises me it is also necessary to appoint an Auditing Committee of three. I will appoint that committee following the distribution of the Booster Prizes.

Coming now to the Booster Prizes, I desire to say that Leo Potishman has made a wonderful record. He has secured 36 new members, which is indeed a great record, even for George Booth. He is the winner of the first prize.

The second prize was really won by Mr. Booth, but in his modesty he declines to accept it, so it is awarded to the Stratton Grain Company of Milwaukee. Mr. Booth secured 24 new members, and Stratton, 19.

We have a tie for third prize, E. P. Wingate of Denver, and C. B. Helm of Cleveland, they

each having secured 10 new members.

We just want these gentlemen who are receiving the prizes and all of the other members who did so well during the last Booster Campaign to know that the association is very appreciative of their efforts, and we desire to extend to them our thanks.

If there is no further business to come before the meeting, we will stand adjourned until 9:30 tomorrow morning.

TUESDAY SESSION

THE convention was called to order by President Sturtevant at 9:50 a. m. after the early arrivals had drawn numbers from a hat, enabling them to compete for the attendance prizes. This device to secure enough members in the hall to start the sessions on time was originated by Mr. MacDonald and Mr. Currie of Boston.

The President: We are exceedingly fortunate in having an exceptional program of speakers today. I understand there are present in the room gentlemen who are not members of this organization, who are here to hear Dr. Krebs' address. They are welcome, and we are very glad to have them with us. The first speaker on the program today is Dr. Stanley L. Krebs, of New York City. He is the head of the Institute of Mercantile Art of New York and Philadelphia, which Institute was founded by John Wanamaker, and it is now my pleasure and privilege to present to you Dr. Krebs.

ADDRESS OF DR. KREBS

THEY tell us that first impressions are very lasting, and I am inclined to believe that old saw because this is my first contact with your spirit, of course, as an organization, and your first contact with mine, I assume, and the first meeting of this day, and under this combination of firsts, I feel a little like Sam Jones—like Sam used to feel—I don't know how Sam feels now; he has been dead 10 years; I hope he is comfortable—but I was thinking of something that happened to Sam in Dallas, Texas, and he himself told us about it, because the point was on him. He was making the point that there was nothing perfect, that there was nothing like a perfect organization—all of us belong to some organization, this association, our church, our lodge or fraternity; "no man liveth to himself alone," the Good Book says, and it is always right. Sam said, "There is no such thing as a perfect organization."

Here you are assembled from all over the United States to perfect your organization. Sam said there was no such thing. There is no perfect government, never was, is not now and never will be; no perfect secret society, lodge or fraternity, no perfect church congregation or denomination, business corporation, firm or company, no perfect family. He got it as small as that. Think of the gall of the man, when each of us prides himself on having one. He said, "There is no perfect organization because there is no perfect individual, and since these organizations are made up, not of bricks and beams and stones and mortar—they make nothing—but are made up of human beings, they are all imperfect in some particular or another. How can you expect a perfect thing," said Mr. Jones, "when you get a bunch of imperfect pieces together to make it off?" And then he made this challenge to his audience, "If there is a man present who is acquainted with an absolutely perfect man, let him rise." He waited, looked around, scanned his audience, and gave every man a chance, but no man dared accept the challenge, a challenge like that in public, with his wife sitting beside him. Then he turned to the ladies, and said, "If there is a woman present who is acquainted with an absolutely perfect woman, let her rise," and he waited a bit, and then a demure little woman, clad in black, arose out in the middle of the audience and lifted up her hand. Sam caught his breath, for he had lost almost all he had ever had, and said "Sister, are you acquainted with an absolutely perfect woman? I want you to think well of my words, on absolutely perfect one." "Well," she said, in her quiet manner, "I was never personally acquainted with her, but I have heard a lot about her. She was my husband's first wife." That actually happened to Sam down in Dallas, Texas.

First impressions are very lasting. I take it for granted your program committee has selected this particular subject, "Constructive Optimism" especially in view of the pessimistic utterances that seem to start from everywhere, anywhere, and nowhere in a presidential year. Look around you right at this minute, and everything your eyes strike has been made by man, these chairs, tables, these utensils, pictures, this building is a

piece of merchandise to be bought and sold; all made by the genius of man. I look around the city, it was made by man. Man made New York, where I live. God Almighty didn't; if he had, he would have done a better job. And we are getting dissatisfied with some of the foundations that God made under Chicago, and those men are taking down and changing those foundations to suit themselves. God gives us the raw material, and then He says, "Make this world as you want it;" and since he quit—for he quit; he rested and quit—we have been on this job, and if there is anything wrong with this world, we cannot blame the Enormous Power that makes the grass blade and the wheat kernel or the corn kernel—and that is an enormous power to make the things you sell, which are not man-made; they are made by a Power that man cannot imitate.

Professor Coolidge, not the president, but Professor Coolidge, not long ago in his laboratory made an electric current of 900,000 volts out of three glass caskets—I saw him do it—and he is thinking of adding a fourth. That is about one-twentieth of a stroke of lightning, and yet man feels that he has correlated a lot of power in the hollow of his midget hand. But with all of Professor Coolidge's power, he cannot make a grass blade or a corn kernel. Every corn kernel or grass blade laughs at the atheist. He is a perfect fool. And of course he cannot make a moon or a star. There is that great Power always over us, which is shown in the splendor of this enormous panorama of the universe in which we move and have our being, and out of which we never will die. When you die, you cannot die outside of the universe; you cannot get on



DR. S. L. KREBS, NEW YORK CITY, SPEAKER

the outside of an infinite thing; you will always have some place in the place where you live now.

And so, my friends, we cannot blame that Power that made the grass blade, and started us in fine shape. If there is anything wrong with the world now, and there is something wrong with it, and I want to try to point out what is fundamentally wrong here, it is our fault, and not that of the Creator, because I know the rest of the race is just as I am. There is nothing strange in Africa, where I have lived and moved and had a lot of my being, and where I went to study one of the most interesting of the races of men, the Berber. I lived with a man 113 years of age, who had all the functions of his body, and four wives. By golly, that is going some. I felt like a midget, with my one wife, and I have a hard job with her, too.

There is something wrong with the world, and you and I know it. Why don't we make it right? Why don't you make this world the way you want it? You are here to do that. That is what our function is, to make the world the way you want it.

I want to call attention to a very fundamental thing. I have raised a great question, because there is today in the general line of business a descending loop; there is a sag, an economic sag, a sad, economic sag, and Europe is around at the lower loop of the sag, and America has commenced to climb the sides back to the normal. Who is going to lift that loop back to the normal level? We all want it back. Europe wants it, Asia wants it, Africa, the civilized Africa wants it. We all want that loop back to the normal.

That is your job; that is your only job. You do that and your selling will be all right, and your buying will be all right. Who is going to do that? Whenever I ask that question, and I have asked it twice over the United States—I talk to business men. That is my job, that is the purpose of this business institute. I meet more business men face to face than President Coolidge. I say it not to boast, because it is not my smartness that brings that about, but my job. I meet more business men face to face than President Coolidge. I say that to make my point as strong as I can in the brief time I have, to emphasize it as much as I can, because I am giving you the voice of the country.

Whenever I ask that question, who is going to lift that loop back, I meet two reactions. One is the paralysis of waiting, men waiting for something to happen, waiting for Germany to pay back all of her reparations, and when she has done that we will be back to normal; or waiting for France to stabilize her currency, or waiting for the Bolsheviks of socialistic, uncouth Russia to get some sense in their noodles; or waiting for Congress to pass or not to pass that or some other act; waiting for something outside of them to come and lift them by the nape of their neck, and place them in a cradle and rock them to sleep in baby prosperity.

The next is the inferiority complex, a disease of the mind, against which most of us good fellows have to watch our own good selves. One says: "What can I do to lift that loop back? I only have a limited influence." (The inferiority complex!) "I am not a king, a great powerful congressman." He is antagonizing his own self, and limiting his range; he has too poor an opinion of himself; he has no conception of what personality means. If the grass blade is a mystery, and has an enormous power in it, what shall we say about ourselves, because there is no comparison between a blade of grass and a human being? The inferiority complex. That is what Sigmund Freud told about, and proved so well by his books and his experiments. It is a dangerous thing, weakness from this lack of faith. As the old Bible says—I am amazed at that Book when I read it from the standpoint of common sense, and not of spiritualistic symbolism. When I read it literally I find I cannot sell a pair of shoes in my store unless I get the man's faith in the shoes. I must convert him to believe in the shoes before I can sell him a pair, just as these revivalists say they must convert us, our minds to Christ; we must believe, or, as they say, come to Him. Just as St. Paul said—I cannot see any difference in the process at all. We may not have conversions to make as have the great evangelists, but we are evangelists just the same. Faith has got to be established.

The thing I want to recommend as a means of doing that, is exceedingly practical. I have 25 students at this minute. We have students in every civilized country of the world. That is what causes me to travel so much abroad, and we have for about 10 years that number, and I, as the head of the Institution, have made thousands of records of human beings, successes and failures, because we record failures as well as successes. We can learn from failures as well as from success. Many a chemist has broken a retort, but he doesn't pity himself. The man is lost who begins to pity himself. But he studies the matter out; what is the matter with me that I allowed that to burst. I see hanging on your backs new colors that came from the fact that a chemist burst his retort, that came from a failure and the study of that failure. No human experience is ever lost, if the student comes along and saves it from the damnation of oblivion, by placing it in some classification that is useful; nothing is lost.

I have raised this great question intentionally, because the little thing I am going to recommend to you to do is so apparently insignificant at first blush, that it will seem like burlesque, laughable, and almost shocking, but as I have these records of human progress and failure filed alphabetically, and then by name at our headquarters in Indianapolis, I could give you concrete example for a month; but to sum it up, and I want to make this emphatic—men who have done what I am going to say have made successes, and those men who have thought it was too small to do it, and I found that out by asking them whether they did it, some of them have failed, not all of them. You can take that fact for what it is worth. I submit it for your consideration; but if you will do this small thing that I will say, to your farmers especially—How they need it! What missionaries of happiness you gentlemen could be. But if you do this little thing, quietly, nobody need know you are do-

ing it—that is the subtlety of it—and do it whenever you have the slightest chance to do it, say something, that is all, you don't need to pay a cent or collect a cent, I say to you that things will begin to come your way, as you want them to come, without your working and fussing and worrying, and man will ultimately begin to call you lucky. You will stand out. There is no luck. Science tells us there is no phenomenon, that nothing happens without an adequate cause. If we cannot see the cause, the phenomenon is a mystery or a miracle; when we understand the cause we can make it, or at least we understand it. And the miracles of Jesus Christ that are recorded in that wonderful Book to which I have referred, are not violations of known laws, they are revelations of laws that you and I do not yet know, is all. They do not contradict anything we know. When we understand how He walked upon the water without sinking, when we understand the force He used, which is doubtless levitation instead of gravitation, we will be able to do that. When we understand what He did, we will do greater things than He. Either that, or He lied when he said it.

The inferiority complex comes in as a bugaboo, and says "I cannot do that; I am too small." See the curse of that! We haven't the faith of a mustard seed, and yet we want the universe.

I was on my way from Chicago to Denver some time ago, and this happened in the dining car. I was sitting at the little table where two sit, and this gentleman was across the aisle at the table where four sit. He was a successful looking man of your type, about 60, bright at repartee, keen of intellect, a hypnotic personality that you

time that has been done, that blessings thrown into the lap of a chosen race by this great Power, great blessings, have not been recognized and appreciated, and have been taken away from them, and I cannot see that we are any better than our forbears.

I felt I would have to fight, and whenever I fight I always smile. If a man comes to fight me, or attack me, I smile at him, and then get the first blow. That is psychology, and I believe I could lick Dempsey under those circumstances. And I turned to him, "I beg your pardon, sir, I heard you predict a panic for the United States." "Well," he said, in his stentorian manner, "you can see it appearing on the horizon," and he snapped his jaws. And I said "If you mean by the word panic a financial panic, you know, or are old enough to know" — and I frowned (Laughter)—"that since the adoption of the Federal Reserve Banking system, there never can be a financial panic in the United States again, and I would like to see you start one. Start one if you can, and I would like to see the men in Chicago, or us fellows in New York start one, as we did twice without any subjective cause." Two panics came that had no cause except the resolution of eight men who got together and decreed it. It is true that in 1896 eight men could meet around a private table anywhere in the United States, and by resolution stop practically all the wheels of industry from rotating in this Government of ours. They had more power than Congress; and the laboring men were making a great howl against the power of Wall Street, and I joined them. The Arena Company of this city published my first book, in which I



DEEP SEA DIVERS ABOARD THE S-19 JUST BEFORE SUBMERGING

do not care to tackle. He had a force, an intellectual vigor. I hear him say, "Gentlemen, these United States are due for a panic or a revolution sure," and he snapped his jaws. Those men are supposed to be men of powerful will, you know. Powerful will, rot! I watched to see if the others put in any rejoinder to his pessimism, but they didn't, and I could tell by their expressions he had succeeded in selling them his ideas, and I knew they would go back to their home towns and spread it. Many men that do not travel much, if they meet a man from some other place, he impresses them. They say, "That man was on his way to San Francisco, so what he said must be right; or that man was on his way to New York." Now I want to say there are just as many fools travelling as staying at home. Witness me.

I felt I would have to fight. What good does that kind of talk do? Will that kind of talk clothe a native? Will it feed the hungry, or educate our boys and girls? Will it farm our farms? Is that the way the preachers go out into the community and talk when they want to build a church, scare their people into believing there is going to be a calamity? Why do we level-headed old men, that love the progress of our communities, allow that thing to go on without some quiet rebuttal. And so I feel I would have to fight. I would have much preferred to finish my lunch in peace. They were strangers to me; I hated to butt in, but if I hadn't I would have felt like a sneak and coward to this day. I would not deserve the blessings comprehended in the word "America," and if some of us do not wake up and appreciate the blessings we have today, instead of howling about the little things that are wrong with us, God Almighty will take our blessings from us. And it won't be the first

attacked Wall Street—just imagine that! And held up proportional representation as this ideal in a scientific democracy, and I think we are tending in that direction now. That book made me some enemies, notably a great railway president, who happened to be the president of the Board of Directors of an eastern college that later wanted to give me an honorary degree. And he was a large contributor to that college, and he took this volume into the meeting of the board, and said, "Gentlemen, I am opposed to giving Mr. Krebs this honor, because that is his book, and it is economic heresy," and I did not get the degree.

But there is no Wall Street now. Of course the street is there, and the banks are there, and a few of the men are still there from that day. But the power of Wall Street is no more. If you want to, you can say that there are 12 Wall Streets in the United States.

Six years ago I hired myself out to what is called the International Summer Chataqua System, and I crossed the Canadian line between North Dakota and Canada 15 times, lecturing in towns to audiences of from 1,200 to 3,000 or maybe more. And the farmers of North Dakota were putting up a howl about their inability to get the money necessary to move their crops. One day there were 300 farmers at the lecture, and I said to them, "It is as hard for me to borrow money in New York as it is for you out here. I went to a banker, a friend of mine, and said, 'Joe, I want this money for 60 days, with this collateral.' He said, 'I'll give you the money, but not for 60 days. You must sign a slip that you will give it back when I phone you, and I might be compelled to call for it tomorrow afternoon, a call loan.'" I said, "You didn't know that. No,

of course they didn't. One-half the world doesn't know how the other half lives. They are not living as you are, and they do not know how you live. I said, "Why couldn't I borrow the money? Because of the amount sent abroad, \$4,000,000,000 to England, \$4,000,000,000 to France, \$3,000,000,000 to Italy, and so on, until the total is over \$14,000,000,000, an incomprehensible figure that would make the Temple of Solomon look like five cents." The highest figure I can conceive of is 10,000 cents; I can occasionally get that. (Laughter). "Who carried that load? You didn't put it here. You couldn't, and we couldn't in New York independently, but it was this system of Federal reserve, and it stood that tremendous drain. It did bend, but you cannot break it. If it wasn't broken then, then it never will be broken, for that thing will never happen again." The idea of a warless world is in the air, and it is here to stay, just like the thought of a world without slavery. The old War King Mars, is going to be licked out of his armor. That will never happen again. We are coming into the industrial age, when we will have industrial saturation, and we won't work as many hours as we do. We must have leisure when saturation comes; that is the final solution.

Why Was There No Panic?

Why didn't we have a panic after the War? It wasn't your smartness, or our smartness in New York. If you could have heard President Forgan of the First National Bank of Chicago, before a big audience—he is no orator, but he had tears in his voice, because they were in his soul. He raised his head to the sky, and said "Gentleman"—and his voice trembled—"there is only one thing that saved this beloved country of ours from a panic that would have made the panics of 1873 and 1897 appear small, and that was the Federal Reserve Bank." That came to us, not from Europe, but from the fertility of American thought.

When these men out there needed money to move their crops, Wall Street used to send it, and then grind the life out of them out there to get it paid back. When it was time to move the cotton down South, Wall Street sent them the money, and then ground them down until they paid it back. Now who sends the money to points of need? Not Congress? The Federal Reserve Board. Who knows where the point of greatest need is? Not President Coolidge, he doesn't know it. Nor you, nor I, nor Babson over here, unless he has a friend on the Board. There was one thing at least that W. J. Bryan never knew and I don't know (Laughter). But the Federal Reserve Banking Board does not. Suppose it is in Georgia, and we think it is in our state, and they sent the money there, and that lifts them back to normal, and we feel it, but do not know where it comes from. You can never beat that system.

What are they doing now? They are going to make long loans possible, that is, loans of 20 or 50 years, paid by you or your son, or your estate, so that you, when you come to pay that loan back, will pay it back in the dollar that has the same purchasing power in which you made the loan 20 or 50 years before, in justice to both sides. You say that cannot be done? It can be. God didn't make money. It is not his idea; it is ours. We are the masters of money, and not the slaves of money, and that can be done, and it will be done. And your children will do what you are afraid to do now. What does a long loan mean? Long rows of highway from ocean to ocean, and from the northern border to the Gulf, flanked by gardens that will make the hanging historic gardens of Babylon look small. Physical prosperity, based on an absolutely stable money that will last as long as the world lasts. Greece and Rome didn't have that. They didn't have the banking system we had. One man, the dictator, could have the bank in the hollow of his hand, as Caesar did, or Pericles. Would you want that? So that a historian like Tacitus might write it up in glowing terms, about the big men. But how about the masses then in historic Greece and Rome? How would you like to be one of them, if you think you haven't any blessings today?

The Bolshevik Menace

There that man sat trying to weaken our faith and confidence in a great country that had taken part in a great inter-oceanic war, with an unprecedented situation like that. We all adjourned to the smoking compartment, and I said, "I heard you predict a revolution in this country under the flag of the Stars and Stripes." "Well," he said, "the Bolsheviks are sneaking in." I said, "You may know something of that, but Uncle Sam knows more. He knows who they are, where they are meeting, and what they are writing and

saying." I said "I don't know whether you are an American or not, but you have been talking against America. You speak English well, but you are un-American. Now when you wake up to morrow morning, suppose you would not find America around you. Where on earth would you go?" A drummer next to me leaned over and said, "I hope he goes to —." He didn't answer. I said "You wouldn't go to England, if you had to pay the taxes of an English business man; you wouldn't go to France, with the franc wavering up and down; you wouldn't go to Italy, where the lira is rivaling the franc in its fluctuations and following the dance of the franc; you wouldn't go to Germany that has no money at all at this time," because the mark had disappeared. "You wouldn't go to Ireland, I know that." I have observed that an Irishman is never more peaceful than when he is in a fight, and then, if ever, Ireland was having a good time. I said, "I am a German. Krebs—that is a good German name. There are eight columns of Krebs in the telephone directory of Berlin. I have some relatives over there. But my mother was French, her name was Le Fevre. The way you pronounce it is 'Le Fever,' and that always makes you feel sick. But that means Smith, so I am related to all the infinite Smiths. And the word 'Kreb' means a lobster. I never was pro-German or pro-French, or pro-almighty England, or pro-artistic Italy, but pro-American."

This is the thing we should always make our stand on, if you want to be called lucky, and get the confidence of the folks around you. You should always end the argument with this economic benediction, wherever you are, in your Sunday School, in your church, tell your preacher to add it occasionally, or the other men in your community who have power. The churches know the value of a benediction. The preachers are psychologists, and after every sermon they pronounce the apostolic benediction; so no matter how bad the sermon might have been, you get something out of it at the end. And this is the thing we should make our stand on, that we folks here in the United States have the best form of governments so far developed in the history of mankind. And that is what we have.

The American Outlook and Optimism

You would not exchange the American Government for the Greek republic under Pericles, whose horn is still blown in the colleges in the Greek that we study. But how about the condition of your class and mine under Pericles? You would not exchange the Government of the United States for Rome under the Caesars. We would be bigger fools if we did it. And we wouldn't change our American republic for the great Babylonian government under Nebuchadnezzar and under Pilazer, and all of those other illustrious monarchs. That sounds big, and it was big. Here is something we can always say. I like to find a bunch of pessimists, when they are spreading a lot of information. I say, "I don't know anything about these figures, but you are Americans, and so am I, and all the problems we have had in the past have been satisfactorily settled, and all of the problems we have now will be satisfactorily settled. Good day." Then I leave. I don't wait for an argument; I don't want it. I just want to let the light shine, like the goddess of Liberty. There is the only woman in the world that has never said a word. And she is a New Yorker, or else a Frenchy. We can have a lot of fun with these, and anyone can use this argument of mine, whether it be a girl of 15 or an old gentleman of 83. Imagine this girl of 15 coming down the street, and there are three or four cigarette smoking fiends leaning against the lamp post for strength, and she hears them indulging in pessimistic thought. She says, "I do not know about these figures, but you are an American and so am I, and all the problems that have arisen in the past in this country have been satisfactorily settled, and all of the problems confronting us now will be satisfactorily settled. Good day." Why, she punctures their balloon, and you can hear the escape of the gas (Laughter).

Solving a Problem for St. Louis

I want to show you what this does in a great city. Four years ago I was in St. Louis lecturing from September to January. In October there was a peculiar industrial depression in St. Louis, to the extent that the Chamber of Commerce appointed a committee of five to find out the cause. I happened to be addressing the chamber at that noon meeting when the committee reported they could not find the cause, and yet the phenomenon was there. One man said, "Doctor, we are interested in what you are saying, but would be more interested in getting your opinion on what you think is the trouble here." I said, "With the consent of the audience, I will change my talk,

and give you that," because the subject had been billed ahead. I said, "You know more about the assets and liabilities of your community in St. Louis in one minute than I would in 10 years, but since your committee haven't found the cause of the present depression, and it must have some cause, in the objective end, which you searched, it must lie in the subjective. Since they haven't found it in the visible, it must lie in the invisible, if it isn't in matter, it must be in the mind."

Depression Due to Psychological Condition

"I want to recite one incident that happened to me when I came here early in September. I was walking down Olive Street (which is one of their main streets), and there were two men of the successful managerial type, going along ahead of me. I tried to pass them, and as I got near one said, 'John, we aren't selling as much as we did last year at this time.' And John said, 'Bob, that is our situation exactly; there must be something wrong.' There was the trouble, scaring each other. Do you suppose it ended there? No. Each man quoted his friend to some other man, and instead of two, there were four, and then eight, and then 30—so, and so on it spread." I said, "You have thought your business down, and you talk and act as you think. You have scared yourselves. It is wholly psychological; there is no reasonable cause in the things you can weigh and measure and see and handle, nor in the transportation agencies, or anything of that kind. You can change your mind in a second, you can't change your streets or your city, but you can change your mind in a second, and the man who doesn't change his mind is a traitor to the rest."

One Method for Combating Pessimism

"Make up your minds that when you go back to your factories and your stores, you will call all of your salesman together, and if you only have one salesman, call him together, and say, 'Boys, we have heard that business will boom in the next six weeks, go out and put your personality into your salesmanship, and watch results.' I got letters after that that they did that, and they did see the result. Things began to pick up in November, and by the end of the month they were back to normal. I don't claim I did that, because I didn't. I hadn't the power, but the men before me had the power, but they didn't know it. Each one was affected by an inferiority complex. The great enemy is pessimism, waiting for something, and yet the power was in them. As Jesus Christ said, 'The Kingdom of God is in you,' and we do not believe it. We are miserable unbelievers when it comes to the heart of Christianity. We have our names on church books, but are not taking the power we have here, but are looking for something else."

Cultivate the habit of fighting the pessimist, and having constructive optimism in your soul. People will like you. When others are discouraged, you won't be. The man who can change frowns into smiles is the priceless chemist and is worth a tremendous amount.

Pessimism Among Farmers

The farmers need this. They are pessimistic because they think that everybody else around them is doing better than they are. Aren't they businessmen like the rest of us? Do they study salesmanship and organizing like we do? I believe you can teach your clients a great deal here. I have a friend, a farmer, with 1,200 acres, and he has a friend on the exchange in New York who gives him information as to crops both abroad and at home. After the War this friend told him — My friend, the farmer, raises corn and wheat on 1,200 acres, and this friend advised him that the wheat acreage and corn acreage of Brazil were waking up, and prices would go down because of the increasing supply. What did he do? He took 250 acres from his wheat acreage, and 250 acres from his corn acreage, and planted 500 acres in onions. He sold his corn to the grain dealer at the market price, and sold his wheat, but he told me he didn't care a damn what the dealer paid him because he had his onions (Laughter). So that the smartness of my friend, under the good advice of a friend of his met that situation. He succeeded because of that world intelligence that he got out there on his farm in Auglaize County, Ohio.

I know some manufacturers who have their agents scattered all over the world, looking for this sort of world information. My son-in-law is such an agent, living with his family in Singapore, a rotten place to live, but big business is right there. And those manufacturers know exactly the supply of the raw material coming from that center of the world. A girl in a field in an agricultural section, with one telegraph wire into her building,

could do the job for you, and that would be justice to the farmer and education also.

I see in your magazine here, reports coming from various towns, and about oats selling and other features upon which we can base a judgment because we have knowledge, and are not kept in the dark. That is a thing that you are doing in a limited circle, that can be done in a much broader way, and of course not alone for corn, but for all the other crops in which your clients are interested, and they will know what is going to take place in the corn world and the wheat world next summer. And that will turn us into constructive optimists, and the farmer will be turned one step in the right direction, and then we will make a businessman of him. And you must always remember to say that thing. Let us be constructive optimists. Of course we have the finest reason for saying it here in America. Let us count our mercies while we struggle against the evils; but first let us be constructive optimists. What is an optimist? He is a baldheaded man who buys a hair restorer from a baldheaded barber; and he also buys a comb. He puts goods and merchandise into circulation. The baldheaded pessimist would not make those purchases at all; he would clap his hand around his pocketbook like a steel trap. When we need rain the optimist says "It is going to rain," but the pessimist looks at the clouds and says "Hell, those are the empties coming back". We can always find that type of man in every community. Old Aunt Susan was chronically ill, but one day she felt better. Some one asked her "Aunt Susan, how do you feel today?" She said "I feel better today, but I feel bad because I know I'll feel worse by and by."

A Sunday School superintendent was teaching a class, teaching the International Sunday School lesson, and it was about Hell in the Bible. We get the subject in all the lessons, for those who are from six to 14, and then those from 14 up. And the lesson was of a Hell made of fire, and that if you fall into it, you could never get out. This was a boy's class, and the boys said "Teacher, what about Hell?" "Well, Hell is a great lake made of fire, and if you fall into it, you won't get out." He said "However, there is one chance there in that lake; there is a great ladder there day and night, and sometimes you can jump up and grab a round, and there are 14 rounds, and a boy just reached it with his left hand, and he threw his right hand up, and was just saving himself, when an imp from Hell pumped up and shoved him down." And one little fellow in the class said "The son of a B—". That boy certainly hated that imp. He perhaps ought not to have said that, and yet that is a good English word. Shakespeare uses it.

I have seen in my professional work so much pessimism and so much evil come from a pessimistic father in an otherwise happy family, one mind damning the whole thing. Or a pessimistic mother, or a pessimistic grandfather that is living with them. So many boards of directors are cursed with a pessimistic member. Out there in Cleveland, Ohio, there was a great bank damned by a certain vice president. Three years ago we began to buy him out. Now he is out, and we thank God that he is.

One year ago I was invited to address the undertakers' association of the city of New York, and my father, a marvellous man, 91 years of age, writing as steadily in as beautiful a hand as he did at 40, articles for the *Philadelphia Press*, said "What are you going to tell the undertakers, as a business expert, because to increase their business, you would have to advise the rest of us to die." When I got there I said "I am glad to address you because I know several elders and deacons of several congregations that if you buried it would be a blessing to the community."

Let us be constructive optimists. But I should conclude. Go up to them and smilingly say—I think this is better, although I give you permission to call them what the boy called the devil. We should make these pessimists know what curses they are. Jesus Christ, with his marvellous, manly courage, wasn't afraid to call the pessimists of his day a name that has never been properly translated. The authorized version of King James doesn't translate that word properly. I am a Greek scholar; I am working at a Greek translation now, confirming the New Testament out and out, on certain papyri. I am astonished at the discovery of these papyri in Alexandria, Egypt. They threw them away as waste things from their offices and homes, they run from 200 years B. C. to 200 years after Christ, covering the period of Christ. The authorized version did not translate that word, and neither did the revisers, and it is a very much stronger word than that being used. Jesus loved those men, but he hated their sin, and he wanted to shock them awake. Some people have to be hit over the head before they show signs of life or re-

pentance. I am not going to translate that Greek word for you. You can call them that if you want to, and you will have fine backing if you do. I do not know anything about those facts and figures you are quoting, but I know one thing you are an American, and so am I, and all the problems that the country has met in the past have been satisfactorily solved, and I know that all the problems that confront America at the present time will be satisfactorily solved. Good Day, Sir, "and good luck." And so I am going to close with a little poem, written about six years ago:

"Optimist vs. the Pessimist.

The pessimist's cry is, "It can't be done;" All the grouches groan out "You'll fail." The bats and the ravens come forward, each one, And croak "It will never avail." But you just sail in, with a grin that means win, Just roll up your sleeves and go to it; Just smile as you swing into tackling the thing That cannot be done, and you'll do it."

The President: That was a wonderful talk Dr. Krebs has given us, and those of us who did not come in and hear it are heavy losers.

It is almost unnecessary to repeat again from this platform that one of our principal objects and labors has been in the field of compulsory arbitration. We are one of the pioneers in this work, and we think we have brought it to a state of perfection not equalled by many other organizations. Any discussion, then, of this question is of vital importance to our association. We are fortunate in having with us today Dr. Wesley A. Sturges, professor of law at Yale University, who will speak to us on "What Arbitration of

to proceed with the subject "Commercial Arbitration."

The members of the Grain Dealers National Association really need no introduction to commercial arbitration. They have had considerable experience with it as a policy and practice of their association for more than a quarter of a century. Indeed their association has been a pioneer in the modern practice of commercial arbitration by American associated business.

I wish, however, to enter into matters of definition sufficiently to indicate the distinction between the older use of arbitration and its modern practice in which your your association has been a pioneer. Under the old use of commercial arbitration business men arbitrated their disputes with each other *sometimes*; the dispute which arose between any two business men was ordinarily only a casual controversy which usually arose out of the one and only transaction which the particular parties ever entered into. The parties had no other common interests than those involved in the particular transaction. Under these conditions business men agreed upon arbitration, rather than engaging in litigation—their agreement was for only the particular case. They agreed to arbitrate only *after* the controversy had arisen; and, often times, indeed only after litigation in court had been started.

Under the modern practice, commercial arbitration is not resorted to in merely isolated cases, and only after parties have become involved in a controversy. As in the case of your association, arbitration is now provided for in the by-laws, articles of membership or standard contract forms of American trade associations. It is thereby made the contract of the thousands of their members with their common interests as such members. By these arbitration provisions, those members *agree in advance* to arbitrate their business disputes *when and as they arise out of their future dealings*.

This modern usage of arbitration provisions is having a similar development in chambers of commerce and local business men's organizations which are not branches of any national association. Within the past decade more than 150 national or interstate trade organizations have adopted this policy of arbitration as a substitute for litigation in the courts. Similar development has taken place in chambers of commerce and local organizations.

In addition to the associations which have actually adopted the practice, such national organizations as the American Bankers Association, the American Society of Certified Public Accountants and the National Credit Mens Association have actively promoted the adoption of commercial arbitration. In addition, the American Arbitration Association, a New York membership corporation, with more than 1,500 individuals, firms, business and professional men's associations as members, serves as an executive headquarter for the movement. It serves as a clearing-house for information concerning the practice; it directs research in the subject and provides its own arbitration tribunal not only to promote the use of arbitration of commercial disputes, but also for instructional and experimental purposes. It also maintains a standing national panel of arbitrators which at present numbers more than 5,000 prominent business and professional men. These persons are available through the different parts of the United States to serve as arbitrators in any case in which they may be chosen by the parties.

Modern commercial arbitration, however, is not exclusively a practice and policy of trade associations and chambers of commerce. As business men are becoming acquainted with it in their trade associations and as educational work which is promoted by the American Arbitration Association progresses and as lawyers become familiar with it, arbitration clauses are being inserted into a great many different types of contracts where the parties may have no other common interests than their relations in the particular transaction.

It will not be denied, in view of these facts, that the modern practice of commercial arbitration has become the prevailing policy of American associated business. Indeed, by way of general summary it may be noted that the many business transactions involved in the production and distribution of more than 25 commodities are entered into and carried out under modern arbitration agreements. While there are no complete figures concerning the number of business men and dollars and cents volume of business embraced in the practice, it is suggestive to note that the Grain Dealers National Association, a pioneer among the 150 national trade associations who have this practice, has 5,000 members whose



DR. W. A. STURGES, NEW HAVEN, CONN.
Arbitration Was the Subject of His Boston Address

Trade Disputes Means to the Commerce of the Country." I now have the pleasure of introducing to you Dr. Sturges.

ADDRESS OF DR. STURGES

I CANNOT sum up enough words to express that honor which I feel in being privileged to address this convention. It is indeed a special privilege to speak in Boston, Boston hallowed by its history and its culture, the home of Longfellow and Emerson and Lowell; Boston, the home of the cod, the place where our distinguished national trap-shooter lived very close; Boston, Massachusetts, where Mr. and Mrs. Hoover are going some day probably to whisper; Boston, the home of Mary Baker Eddy and the Mother Church, whose converts are quickly receding from the Church because they are getting so darned sick of being so darned happy all the time. With this sort of physical environment I find I have too few words to express to you the emotion I feel. On the other hand, my vocabulary is very fluent so far as expressing the sense of incompetency which I feel in discussing the technique of commercial arbitration, in which you have had so much experience. As your distinguished president has stated, I am a teacher, a member of that profession whose members spend their lives in learning less and less about about more and more. More specifically, I am a member of that distinguished group of American jurists who are teaching law because they could not make a living in the practice of it. With that frank introduction on my part I am going

annual gross business embraces the distribution of fully 85 per cent of the grain produced in the United States.

Since this development has taken place so recently and rapidly in the United States it may be well to cite a precedent. It should be noted that the same practice has been similarly integrated into the business and commerce of England and the continent for many years. I will quote the following from the report of Samuel Rosenbaum, of the Philadelphia bar, which was made after he had made an extensive study of law administration in England. This report was published by the American Judicature Society in 1916 and is as follows:

English Arbitration

"A very large proportion of the business disputes of England never come into the courts at all, but are adjusted by tribunals established within the various trade associations and exchanges. This is especially true of the vast wholesale distributing trades which are responsible for a great part of the immense volume of imports and exports constantly flowing through the ports of England, and give them the commanding position they occupy towards the seahorne trade of the world. Disputes over the quality and condition of consignments of grain, cotton, sugar, coffee, fruit, rubber, timber, meats, hides, seeds, fibers, fats, and countless other articles of commerce, as well as every conceivable variety of dispute that can arise out of a contract for sale and delivery, such as questions of delays, quantities, freights, interpretation, etc.—all these are passed upon by business arbitrators selected by reason of their familiarity with the customs of the trade and with the technical facts involved, and not submitted to juries whose ignorance would usually be equally comprehensive.

"So firmly established is the custom of arbitration in these lines that every contract-form used by shippers, brokers, buyers, and users of these articles contains a clause binding the parties to submit to arbitration any dispute that might arise out of the contract. But it is not these trades alone that resort to arbitration. The arbitration clause will be found in every charter-party for the hire of a ship, in every bill of lading for goods carried by sea, in every salvage agreement, in every policy of marine, accident or fire insurance, in every building contract, in every engineering contract, whether mechanical, electrical or gas, in every lease of property, in every partnership or agency agreement, and in innumerable other forms of contract. Finally, there is a well-confirmed tradition among business men, even though there is no written contract covering a particular dispute, to submit differences to arbitration after they have arisen."

With this sketch of the modern development of commercial arbitration, question naturally arises why is it becoming so popular; what, if anything, is the trouble with the courts and court trials. I will briefly enumerate the prevailing reasons for resorting to this policy of arbitration which looks, as concededly it does, to the elimination of lawsuits in the courts.

First: The congestion of court calendars, especially in commercial centers, necessitates too long delays between the date of filing a case and its trial. Productive capital is unduly tied up. In the meantime witnesses forget, die or move away, bankruptcies intervene, and contingent liabilities must be set up which will be reported by such agencies as Bradstreet and Dunn.

Legal Red Tape

Second: Many a business man has complained that when, as a party litigant, he appears at the courthouse at the time set for trial, rarely does the case proceed promptly—even if it is not formally postponed. In the meantime his time and attention has been distracted from his business without results and his suspense and irritation aggravated.

Third: The ritual of pleadings and the law of evidence sound strange and threatening to the layman, though he is of average intelligence.

Fourth: Appearance of arrogance on the part of some lesser official at the courthouse is generally irritating.

Fifth: Trial practice, of which the average business man knows nothing, seems strange, absurd, technical and treacherous, and not infrequently to involve bickering, bartering and compromise.

Sixth: The jury system, in so far as the system imposes upon the parties, as it does all too often, a bootblack and grocery clerk to hear and decide a case concerning a complicated, technical question arising out of a modern business transaction seems obsolete. Similar inconsistency often prevails in the scheme of submitting such

a case to a judge learned in Blackstone and Kent and the statutes, but necessarily unacquainted with the complex and technical details of modern business transactions.

Seventh: The case becomes a matter of public information, with possibility that its publicity will reflect upon the credit and trade position of one or both of the parties.

Eighth: Established dockets at established courthouses scarcely can operate to the special convenience of the particular parties.

Ninth: A lawsuit rarely restores friendly business relations between the parties litigant. In a lawsuit one beats the other in a game which generally generates personal prejudices.

Modern commercial arbitration, on the other hand, contemplates the choice of one or more (but ordinarily not a dozen) persons specially qualified to decide the particular case because of their experience and training. There is no delay unless the parties wish it. There is no ritual of pleading and no trial under technical rules of the law of evidence. Each party informally tells his side of the case. Each party in the presence of the arbitrators and of each other, cross-examines, in his own way, the adverse party and his witnesses. The hearing is in private and at such time and place as satisfies the convenience of the parties and arbitrators. There are no pompous or yawning clerks. Experience also indicates that an arbitral adjustment of a business controversy leaves the parties amenable to further business relations with each other. Even of more importance, perhaps, experience shows that the modern use of agreements in contracts or articles of membership to arbitrate disputes which may arise in the future induces the parties to settle their own misunderstandings before they become formal controversies. That is, the modern practice of commercial arbitration aids to eliminate not only litigation but also formal arbitrations.

Arbitration Cuts Cost

In other words by modern commercial arbitration, American associated business seeks to cut costs and preserve good will by adjusting its own disputes according to its own methods.

With this summary of the modern development of commercial arbitration and the reasons for its recent and rapid adoption by American associated business, I will turn to certain legal aspects of commercial arbitration in order to set forth a background for what are conceded to be the two most important problems now involved in recent legislation regulating commercial arbitration and which vitally affect its modern practice.

In Vynior's case, decided by the English courts in 1609, Lord Coke is reported to have remarked that "a man cannot by his act make such authority, power or warrant not countermandable, which is by the law and its own nature countermandable." With this utterance of a remarkable truism started the Anglo-American common law doctrine of revocability of agreements to arbitrate. This doctrine received its most popular formula in the case of *Kill v. Hollister*, decided by the English courts in 1746, to the effect that such agreements are against public policy and are therefore revocable because otherwise they would "oust the courts of jurisdiction." We recall that agreements to arbitrate are said to be "revocable" when either of two questions are raised concerning them: (1) when issue is made whether a party can sue in court notwithstanding he has made an agreement to arbitrate the case; (2) when issue is made whether by notice he can revoke the power of arbitrators, or prevent the effective appointment of arbitrators, provided he has given such notice before an award is rendered. We also recall that our equity courts have had the same rules as those of our law courts concerning the revocability of arbitration agreements and also that our equity courts will neither order specific performance of agreements to arbitrate, nor appoint arbitrators when a recalcitrant party refuses to do so. At the most, the aggrieved party has some nominal recovery for the revocation of the agreement by an action for damages. Lastly, we know that when, and if, the parties perform their arbitration agreement, and as award is rendered, that unless the losing party voluntarily performs the award, it is necessary for the successful party to bring a lawsuit in court to recover on the award. In short, our common law and equity courts have offered little inducement or sanction for the faithful performance of agreements to arbitrate and these cases have kept the path to litigation wide and open.

It is true that arbitration statutes have been long standing in almost every state of the United States. In general, however, these statutes do not displace common law arbitrations nor the

rules of law to which we have just referred. In general, these statutes provide that if an agreement to arbitrate is executed with the formalities prescribed by the statute, and, in many statutes, if it is filed in a designated court, and if the arbitral hearing is conducted pursuant to the statute, which may regulate those proceedings in more or less detail, then an award duly rendered according to the statute can be entered in some court by some summary procedure such as a motion. Judgment must then be entered thereon and execution issued forthwith unless cause is found to vacate or correct and modify the award as provided in the statute. In some states an agreement to arbitrate which is entered into pursuant to one of these older statutes is made irrevocable at least to the extent that an action in court cannot be maintained on the dispute which the parties have agreed to arbitrate. These older statutes rarely, if ever, provide for the specific enforcement of an agreement to arbitrate, and there are almost no provisions that a court shall appoint an arbitrator if a party refuses to do so.

Relation of Law to Trade Rules

The most significant aspect of these older statutes, however, especially in view of the modern practice of commercial arbitration which we have reviewed, is that they *comprehend only agreements to arbitrate existing controversies*. They do not change the common law rules of revocability and non-enforceability of agreements to arbitrate future disputes. This is not surprising when it is remembered that these statutes were enacted long prior to the modern practice of commercial arbitration by associated business.

With the modern practice comes the demand for legislation which will abrogate the common law rules of revocability and non-enforceability of agreement to arbitrate *future as well as existing disputes*, and the demand that there be a minimum of formalities required for such agreements. Irrevocable and specifically enforceable agreements to arbitrate future disputes are the future legal support of the practice.

I would emphasize, however, that my statement is that such law as will render such agreements irrevocable and specifically enforceable are the future *legal* support of the modern practice. Many trade associations are providing substitute sanctions for their own arbitration agreements pending legislation which will abrogate the common law rules of their revocability. For example, the National Boot and Shoe Manufacturers Association authorize publication in its official paper of the name of any member who refuses "without justifiable cause" to arbitrate a controversy which an adverse party has offered to submit to arbitrators. You are familiar with Article VI, Section 17 of the Rules of your own association which conditions membership upon willingness to arbitrate. That by-law, as you recall, provides as follows:

"Neglect or refusal to submit the subject matter of a controversy to arbitration, or failure to comply with an award of an Arbitration Committee, shall be deemed uncommercial conduct, and the penalty therefore shall be expulsion."

These sanctions, however, are in a sense negative. They will almost invariably induce members to arbitrate. If, however, the recalcitrant party will sustain the penalty, their agreements and awards are apparently left subject to common law rules.

New York Arbitration Law

To meet the unanimous demands of the time the New York legislature in 1920 enacted a new arbitration statute providing for the irrevocability of written future disputes clauses, as well as written agreements to arbitrate existing disputes. It also provides that such agreements shall be specifically enforceable by motion to the court for an order that a recalcitrant party proceed according to his agreement and for the appointment of an arbitrator by the court if such party refuses to comply. Since that date the same provisions have been enacted in New Jersey, Massachusetts, Territory of Hawaii, Oregon, it is supposed, and in Pennsylvania, California and Louisiana. The United States Arbitration Act, which became effective January 1, 1926, also enacts the same rules for agreements to arbitrate matters of dispute arising out of transactions in interstate and foreign commerce and admiralty. The United States Arbitration Act was drafted by the Committee on Commerce Trade and Commercial Law of the American Bar Association and was approved by the American Bar Association. Credit for the enactment of the United States Arbitration Act is, in a large measure, due to the American Bar Association and its Committee on Commerce Trade and Commercial Law.

Although this policy concerning future-disputes clauses as well as agreement to arbitrate existing disputes has been enacted in these seven states and the Territory of Hawaii and by the Congress of the United States, a different arbitration statute has been recommended to the state legislatures by the National Conference of Commissioners on Uniform Laws. This statute has been adopted in Nevada, Utah, Wyoming, and North Carolina. Like the older arbitration statutes to which we have referred, the Commissioners' Act embraces only written agreements to arbitrate *existing* disputes. Agreements to arbitrate future disputes are left subject to common law rules of revocability and non-enforceability.

Judging by the records of the proceedings of the commissioners, some of them appear to have concluded that the business associations do not desire that agreements to arbitrate future disputes shall be made irrevocable and enforceable contrary to common law; at least some commissioners reported to the conference that the Chicago Chamber of Commerce did not. Secondly, some of the commissioners said that they thought it was dangerous policy to provide that future disputes agreements should be made irrevocable and enforceable specifically, for at the time the parties enter into them they do not know what disputes may arise, and also that such agreements are "jug-handled," that is, they are slipped into contract documents by one party and the other party is caught unawares. The attitude of the commissioners is also significant in that they induced the American Bar Association to approve their Act and, at least in form, to expressly repudiate the position which it had taken concerning agreements to arbitrate future disputes in promoting the United States Arbitration Act.

Concerning this divergence of opinion regarding the statutory regulation of future-disputes clauses certain observations seem free from challenge:

(1) Most of the trade associations desire that future-disputes clauses as well as agreements to arbitrate existing disputes shall be irrevocable and specifically enforceable. Their standard contracts and their substitute sanctions of publishing members' names and providing for expulsion from membership of members who refuse to arbitrate have already been cited. The attitude of the business men of Chicago seems scarcely too unanimous and certain as some of the Commissioners seem to have indicated in their proceedings. It is significant that the following organizations from Chicago supported the promotion of the United States Arbitration Act: Western Fruit Jobbers Association of America, National Poultry, Butter & Eggs Association, Live Poultry & Dairy Shippers Traffic Association, American Fruit & Vegetable Shippers Association. I will also refer you to the Year Book on Commercial Arbitration for a record of the many local trade associations in Chicago, such, for example, as the Dried and Canned Foods Associations of Chicago, with its active membership of some 60 Chicago firms of wholesale grocers, dealers and brokers in canned and dried fruits, whose members do business in Chicago under agreements to arbitrate their future disputes.

(2) The Commissioners of six states voted against the act. Commissioners of 23 states voted in its favor. No participation is reported for commissioners of 19 states.

(3) The American Bar Association had 23,450 members at the time of its annual meeting in 1925. Eighteen hundred and 39 members were present at that meeting. Of that number 175 voted in favor of the Commissioners' Act, 26 voted against it. The same relatively insignificant quorum and vote expressly repudiated the position of their association and the work of its committee of commerce, trade, and commercial law in connection with the United States Arbitration Act.

(4) It is also in point to note that the Commissioners' Act is inconsistent with the English Arbitration Act of 1889, and apparently inconsistent with the law of almost every other country in the world. (Brazil is excepted). It is likewise inconsistent with the following protocol on arbitration clauses submitted by the fourth assembly of the League of Nations to the member nations for adoption on September 24, 1923:

"Each of the contracting states recognizes the validity of an agreement *whether relating to existing or future differences between parties* subject respectively to the jurisdiction of different contracting states by which the parties to a contract agree to submit to arbitration all or any differences that may arise in connection with such contract relating to commercial matters or to any other matters capable of settlement by

arbitration, whether or not the arbitration is to take place in a country to whose jurisdiction none of the parties is subject."

(5) The Commissioners' Act is inconsistent with the judgment of the supreme courts of Colorado and Washington. Both have recently held that future-disputes are at least irrevocable. They take the position that if the practice of arbitrating is worthy there is no reason why parties cannot contract irrevocably for the remedy.

(6) The Commissioners' Act is inconsistent with the judgment of every American judge, who, in recent years, has expressed an opinion concerning the common law rules of revocability of agreements to arbitrate. They are unanimous in expressing regret for being bound by the doctrine of *stare decisis* in this particular instance.

As a result of this departure in the Commissioners' Act, the American Arbitration Association has drafted and submitted to the legislatures of the several states a substitute Uniform State Act which is patterned after the United States Act and the new statutes of such states as New York. It was adopted by California and Pennsylvania in 1927 and by Louisiana during the current year.

Let us now turn to the second important difference between the United States Arbitration Act and the Commissioners' Act, which is the second important problem ever present in the development of new arbitration legislation. Indeed, even among the statutes of the states which are patterned after the United States and New York Acts as respects future-disputes clauses, there is want of uniformity on the question.

It has been uniformly decided by the judges in the common law cases that the arbitrator is em-

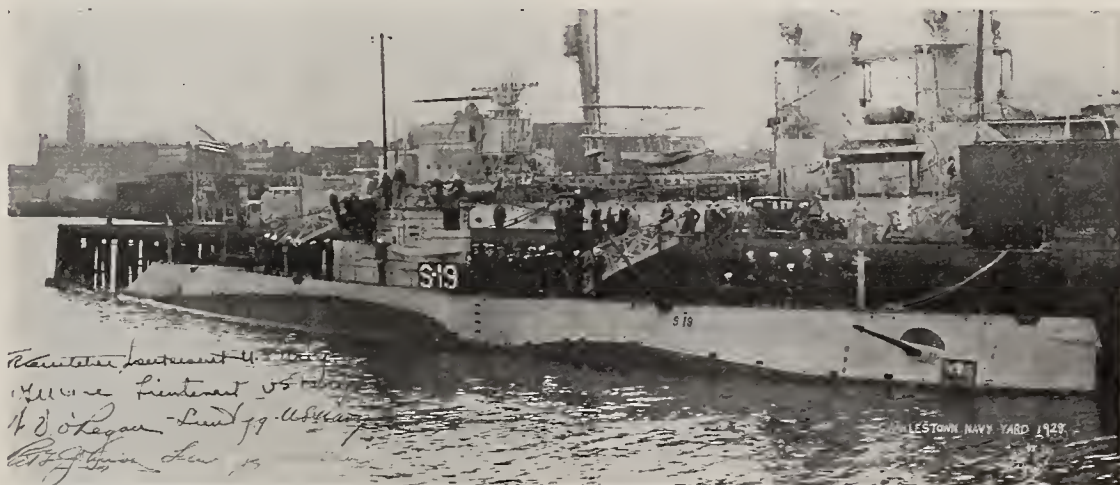
have been enacted. I will quote from the pertinent sections of the several statutes.

The English Act of 1889 provides that "Any . . . arbitrator *may* . . . at any state of the proceedings . . . and *shall, if so directed* by the court or a judge state in the form of a special case for the opinion of the court any question of law arising in the course of the reference." Under this provision *either* party can require the arbitrator to refer *any* question of law to the court, for if the arbitrator refuses to do so, the court, on application by that party, will order the arbitrator to do so. An English court has held that an agreement by the parties to an arbitration clause not to make an application to have any questions of law referred to the court as authorized in the Act is void for it is said to be an attempt to oust the court of jurisdiction. [28 Com. Ca. 29 (C. A.).]

Under the new Massachusetts Act "any question of law may" be referred to a court "if the arbitrator *desires*" to do so. He is required to do so in such case "upon the request of all parties" to the arbitration. However, *any one party may* apply to the superior court to instruct the arbitrator upon "a question of *substantive law*" and the court shall do so "in its discretion."

The Pennsylvania Act provides for the use of the Uniform Declaratory Judgments statute, which has been adopted in that state, as follows: "The arbitrators or the parties to the arbitration, with the approval of the arbitrators, shall have the right to apply to the court, at any time during the arbitration proceedings, for the determination of any legal question in accordance with the terms of the Uniform Declaratory Judgment Act."

The statutes of New York, New Jersey, Territory of Hawaii, California and Louisiana, and the



UNITED STATES NAVY SUBMARINE IN WHICH BOSTON CONVENTION GUESTS WERE GIVEN A TRIAL CRUISE AND DIVE TO HARBOR BOTTOM

powered to decide both the law and fact of the case under a general submission.

Only if the arbitrator makes a mistake of law apparent on the record of the submission and award, will the award be set aside in equity. And it is not a "mistake" merely that the arbitrator decides differently from what the court would have decided. Only if he obviously assumes the law to be different from what it is and decides the case on the basis that his assumption is correct—"a mistake on his own principles"—is there a "mistake."

The Commissioners' Act abrogates these common law rules with respect to arbitrations had under its provisions. It provides as follows: "The arbitrators may, of their own motion, and shall by the request of a party to the arbitration:

"(a) At any stage of the proceedings submit any question of law arising in the course of the hearing for the opinion of the court, stating the facts upon which the question arises, and such opinion when given shall bind the arbitrators in making their award.

"(b) State their final award in the form of a conclusion of fact for the opinion of the court on the questions of law arising on the hearing."

The Commissioners' Act is the only recently enacted arbitration statute which does not embrace future disputes clauses but does provide for the reference of questions of law to a court. In so providing for the reference of questions of law to a court it is also a departure from all of the older arbitration statutes in the American states, except that of Illinois.

In order to set forth the variations from the common law rule which are enacted by the other English and American arbitration statutes which

United States Arbitration Act, and the Draft Act, submitted by the Arbitration Association, have no such provisions.

The problem, it is submitted, is less a matter of *what types of questions* shall or shall not be finally determined by the arbitrators in all cases and more a problem involving the following questions: (1) Shall an arbitration statute allow the parties expressly to agree that their arbitrator shall finally decide all or only some classes of questions affecting their case and still have the benefits of the Act? (2) If both parties to an arbitration agreement desire to stipulate that *either* party may have recourse to a court on *any* aspect of their case, shall they be allowed to do so and still have the benefits of the Act? (3) If their agreement to arbitrate is silent on any such recourse to the courts shall it be granted unless *both* parties agree thereafter to make such reference to a court? Under the Commissioners' Act, although the Arbitration agreement is silent on the matter, *either* party can invoke the court on a "question of law" regardless of the wishes of the other party.

Lastly, it seems to be an open question how far such statutory provisions concerning the reference of questions of law to a court as are contained in the Commissioners' Act are really designed to bring an arbitral hearing within the technical rules of trial court practice. How far are the technical rules of the law of evidence, the law rules regulating the competency and creditability of witnesses, the legal rules with respect to opening and closing of cases, imposed upon arbitrators by the Commissioners' Act, in derogation of common law rules?

It will be recalled that the Massachusetts Act seeks to distinguish between "any questions of

law" and "a question of substantive law." The arbitrators are required to refer the former upon the request of "all parties," but "a party" can require an instruction by the court upon the latter if the court in its discretion shall give it. It is inferred that questions of "procedural law," whatever that term may mean, which may arise in a particular arbitral hearing, are not referable to a court unless both parties so request.

Under the Commissioners' Act "any question of law" shall be referred upon the request of "a party." Indeed, the Commissioners' Act further expressly provides that it shall be cause to vacate an award "where the arbitrators were guilty of misconduct, in refusing to postpone the hearing upon sufficient cause shown, or in refusing to hear evidence, pertinent and material to the controversy." Are questions of "sufficient cause," are questions of what is "evidence pertinent and material," "questions of law" to be referred to a court and taken out of the hands of the arbitrators if either party so desires? And if the court decides in the affirmative, will it decide those questions as they have been decided in cases of actions brought in court? In short, it may be suspected that the commissioners intended to turn an arbitration into another type of trial court proceeding with all or at least many of the technicalities which surround modern trial court practice.

I have given this extended consideration to these problems involving future-disputes agreements and the reference of questions of law to a court because of their immediate importance. They are the two most important issues which must be dealt with in any new legislation which may be proposed to meet the modern developments in the practice of commercial arbitration. Such proposed new legislation is now before a great number of state legislatures.

Will the members of the Grain Dealers National Association, a pioneer in the modern practice of commercial arbitration, take a positive stand on these issues and exert their influence on the arbitration legislation of their several states? If you believe in the policy of providing for arbitration of disputes before as well as after a dispute has arisen; if you believe in ending the case once and for all by the honest decision of the arbitrator, without his sharing questions of law with a court, or judge, unless both parties expressly agree that he shall then help to promote such state arbitration legislation as is patterned after the United States Act and oppose the commissioner's proposed State Arbitration Act.

I ask this convention to do this: First, if you wish and feel the continued practice of agreements to arbitrate in advance of disputes arising, if you wish the practice kept clean and free from the technicalities of court procedure, please so express yourselves. You cannot merely say, "We are all right in our association," because this legislation will hit you and your procedure under your plan of arbitration. Secondly, we need your assistance, and if you believe the Federal Act, which has been approved by the Bar Association of America and by a great number of trade organizations should be supported, give that your support.

The President: I am sure every one who has heard Dr. Sturges' remarks will agree this has been one of the most interesting talks ever made to this body, because we are so vitally interested in arbitration. The questions the Doctor has asked are important as far as we are concerned, and I will ask the Resolutions Committee to take this matter under consideration in presenting their resolutions to the association tomorrow. I am sure if there are any questions any of us want to ask, that Dr. Sturges will answer them.

Secretary Quinn: I was out when Professor Sturges began his address, and did not get the full import of it. Arbitration in this association is quite an old thing. In 1902, or 26 years ago, we passed our first compulsory arbitration rule, and we have been developing that for the last 26 years. As President Sturtevant says, it goes without saying that we do not want any of these things you spoke of, but in what way would this proposed attempt on the part of these various people impinge upon our present method of conducting arbitration? We have none of the troubles you speak of. We have simplified it, and have completely forced out of the picture the lawyer with all of these various technical questions of fact and questions of law. When a man joins our association, he obligates himself by joining to abide by the constitution and by-laws which specifically impose compulsory arbitration upon him, not only as to any disputes in existence, but those that may thereafter arise, only concerning the grain trade, of course. The only way we

can enforce it is through expulsion. We have a little magazine we publish every two weeks, and if a man refuses to arbitrate, we expel him, and notice of that expulsion is given in this magazine. We do not maintain a blacklist or tell our members not to deal with him. We simply say A has refused to arbitrate with B, and it has the force and effect of a blacklist because it is notice to our members that here is one member who refuses to live up to the obligation he voluntarily assumed. This act you speak of with reference to Federal arbitration is not of benefit to us, because under it you can only arbitrate disputes of \$3,000 and upward, and ours are usually under that figure. The biggest one we have had was \$8,000, and another of \$6,000, but those have been the only large disputes. Most of ours are \$500, or \$200, or \$600, and some are less than \$100. So the Federal Act does not apply to us and does not help us.

Another thing with reference to the state arbitration act which you are trying to get the 48 states to adopt; our members are scattered in the 48 states, and most of our business is of an interstate character. Under this act, if a man refused to sign the arbitration agreement, the only way we can compel him to sign it would be to go to court, and get an enforcement order to compel him to sign it. That would be expensive, and nearly all of our disputes are interstate. An act of that kind would be of value to a local chamber of commerce, where such an order could be secured with little expense and without loss of time, but if a man in Minneapolis had a dispute with a man in Seattle, or the same man had



P. C. SAYLES AND T. F. WOOD, OHIO DELEGATES

a dispute with someone in Jacksonville, and the fellow there refused to arbitrate, we would be compelled to go to court in Florida to compel him to arbitrate. We have never been forced to do anything of that kind, because we simply hold over his head the expulsion, which has all the force and effect of a rule of that kind.

Dr. Sturges: So far as your particular association is concerned, you are apparently quite fortunate in the matter of expulsion; in other words, in most of your cases which arise between members which present a dispute, the threat of expulsion is enough to make the parties arbitrate, so far as the going function is concerned, at the present time you do not need anything more. When, as and if you do have an individual who refuses to arbitrate, and who is willing to be expelled under your Article VI, what is the other individual party going to do? Under the law as it stands today, he must proceed according to common law rules. If the member will stand being expelled, you are left with all of the common law rules. That is a fringe; there would be few of those cases arise. The statute would be of assistance in that sort of a case.

In a second type of situation, a dispute between a member and a non-member, or dealings between a member and one not a member, your policy is to encourage arbitration there. Your rules and by-laws clearly have no operative effect upon non-members. In that particular case that puts the member at rather a serious disadvantage, the lack of mutuality. I do not know what volume of transactions go on, where a member of your organization would be in a business deal

with a non-member. Whatever they may be, few or many, the arbitration statute copied after the Federal Act would give you a remedy. The Commissioners' Act would do the same thing, but when you had the arbitration, you would then have a lawsuit. More important than that is the third observation: I live in academic halls, far removed from contact with business people, but looking at it from a little more general view and as a sort of missionary proposition, you people have had experience with the plan of arbitration in lieu of litigation for over a quarter of a century; then is your experience convincing enough to you that you would feel like getting back of this thing to make it available to persons not organized in trade organizations, and then to make it available in those organizations where the sanction of expulsion has not been provided, or where the members disregard it? There may be such economic situation between the seller and buyer that there will be some ill feeling. The seller may have a greater economic business position; he may be able to force his way. Those two stay in an arbitration agreement only because they feel they have to. Where there has been an economic squeeze between two sections of your membership, you must have something more than the threat of expulsion. The sellers want to sell and they buyers want to buy, and they will go where they can do that. If you have a contract to cover that field, and they won't arbitrate, you must have something besides your trade association sanction. There are many business transactions that transpire between business men where neither of them, with respect to the particular transaction, has any trade association rule. I may be buying my coal from a distributor, and we have nothing in common except the particular transaction. If we enter into an agreement to arbitrate, is it good policy for us to do it? Secondly, what kind of a contract should it be? One we can get out of if we wish to, or that requires such litigation as would be necessary under some of these agreements? If we do have arbitration, then what? Shall it be the Federal attitude or the attitude of the Commissioners' Act? Perhaps more important than anything else is the moral backing for a type of legislation which comes closest to the modern practice, your practice and the practice of more than 150 other organizations.

Mr. Manchester: Under our exchange rules and by-laws we have all the rules you have mentioned as to members and non-members, and the right to go into court and on motion secure judgment and execution. With all that, is there any right in either party who feels that his rights in equity have been transgressed to take an appeal to an equity court, and have that judgment looked over and perhaps set aside?

Dr. Sturges: Yes, sir, under all of the statutes, and at common law, and under the older arbitration statutes, and there is one in every state act except two, there are two parallel procedures for enforcing the award, and a category of cases where the court has, through equitable powers, and supervisory power, if there has been fraud or duress in entering into the agreement, or if the arbitrator does not follow his powers as set out in the agreement, or decided more than was submitted, then you can have the award modified or corrected, and perhaps referred back to the arbitrator, or, if vitiated by fraud, it can be set aside entirely. There is a residuum of cases where the equity court does keep tab on the arbitrators in the particular case.

The President: We thank you, Dr. Sturges, very much for your giving this splendid address.

The next is the report of the Committee on Transportation, Henry L. Goemann, chairman.

REPORT OF TRANSPORTATION COMMITTEE

YOUR committee has had many questions submitted to them covering various transportation problems during the year and has endeavored to assist in adjusting various differences and a few are still in the correspondence stage.

My attention was called to the practice of a leading eastern carrier in adjusting overcharge claims due to difference in weight.

The auditor of freight traffic refused to adjust and refund freight charged on billed weights which were in excess of outturn weight, when the difference is within the tolerance of one percent or 500 pounds minimum.

The division freight agent in support of his auditors position wrote as follows:

"What is meant is that, inasmuch as the difference in the billed or loading weight and the outturn weight was only 181 pounds and is, therefore, within the tolerance of 1 per cent or 500 pounds minimum, no overcharge in weight

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can be allowed because our weighing tariff provides that where a shipment is reweighed and the new weight does not show a difference either way of more than the tolerance no change will be made in the billed weight. The tariff further provides that the tolerance should be 1 per cent of the lading with a minimum of 500 pounds. As the billed weight of this car was 61,600 pounds the tolerance would have been 616 pounds.

"Tolerance is defined as 'The difference in weights due to variation in scale or weighing, which may be permitted without correction of the billed weight.' In view of this it is proper that the item of weight should be eliminated from the claim."

On shipments of grain, carriers generally assess their freight charges on the basis of outturn weights and if any of our members have similar experiences as given above, will be glad to be advised of same.

The Indiana Grain Dealers Association calls my attention to the practice of the Pennsylvania Railroad insisting upon the notation of "shippers load and count" be placed upon bills of lading issued for shipments of bulk grain from country stations. They state it is a forced construction of some tariff provisions that relate to package freight, but it is construed general in its application, does not exempt from its provision bulk grain. They desire having the regulation modified so as not to apply to bulk grain.

What is the experience of shippers located on roads other than the Pennsylvania and what are your wishes in this matter?

I have had considerable correspondence with the car service division of the American Railway Association on the subject of heavier loading of cars as relates to grain, as per their circular to grain shippers and published in many of their reports of the proceedings of their meetings held this year, during June and July.

By virtue of an order of the Interstate Commerce Commission the railroads were instructed to re-stencil the load limit of all box cars and the carriers have generally complied and shippers will note that cars now are stenciled with carrying capacity and load limit, and May 15, 1928, was the effective date of changes in load limit of many cars and cancelling of previous rule of 10 per cent over capacity.

In many cases the carriers have placed heavier trucks under many of the low capacity cars without increasing the cubic content. You will find that you cannot put capacity loads in many of these cars without exceeding the allowance of 24 inches from the roof, which the inspection departments demand and need for proper sampling and inspection. While shippers should help the railroads all they can, *do not* load your cars beyond this inspection limit and avoid jeopardizing your inspection.

The tendency of the carriers is to build larger capacity cars, say of hundred thousand pounds and over with a maximum carrying load limit of 128,000 pounds, and eliminating gradually the building of cars of 60 and 80,000 pounds capacity, this will probably mean increased minimums beyond those in effect now and with capacity loading as per their circular request, will seriously affect the small country shipper as well as the smaller buyer whose demand is limited and if he ordered mixed cars of grain the carriers penalize him by charging for the privilege \$5 per car as well as charging the entire cost of installing partitions.

In fact loading large cars in use at present to their capacity, creates a hardship to a majority of buyers of grain and grain products who supply consumers at interior points.

Mr. Gormley in addressing the meeting of Midwest Shippers Advisory Board at Green Bay, Wis., July 13, 1927, in his remarks stated:

"Apparently the shippers are fearful that if they co-operate with the railroads and the car service division in bringing about a better utilization of freight car equipment that later the result of that work will be used as a leverage to increase minimum without any regard to commercial necessities. We wish it to be thoroughly understood that the car service division in connection with the work assigned to them by the Board of Directors of the American Railway Association to bring about better utilization of equipment have nothing whatever to do with the minimums, and do not want to have. Therefore, our endeavors to increase the load per car have absolutely no relation to the question of tariff minimums. That is a question entirely outside of our jurisdiction."

That is the trouble, the effort for heavier loading conflicting with tariff rules instead of being in harmony.

I addressed a letter to each of the chairmen of

grain committees of the various regional advisory boards and so you will know just what I have said to them, I quote same herewith:—

"I would like to bring to your attention, the page article headed 'Grain Shippers' and published in Ohio Valley Shippers, also Great Lakes regional advisory boards last issue of their proceedings and I assume that the page was printed in all of the various regional advisory boards reports, of the proceedings of their last meeting.

"On behalf of the Grain Dealers National Association and as the chairman of their Transportation Committee, I object to the method used in putting out this propaganda of heavier loading to shippers, without having the subject debated at a regular meeting, (for it was not at the meeting held at Buffalo on June 20, 1928).

"Publication of this loading request without debate is certainly not working in a co-operative spirit with grain shippers, is ill advised and likely to cause confusion, particularly on the part of the small country shippers.

"My information is that the circular was issued by the car service division for the reason that both shippers and receivers had called their attention to the fact that a great many people did not understand that the load limit now stenciled on equipment took the place of the old 10 per cent above marked capacity; that they would obtain heavier loading, particularly with grain, if attention of shippers were called to the fact that the carrying capacity of the car was now the stenciled load limit.

"In carriers' request as published they urge



HENRY L. GOEMANN

and stress the fact to load *box* cars to full carrying capacity, (which probably will be understood by shippers to mean to roof of car) also request to load to weight prescribed by *load limit* (which is the actual permissible capacity of car). Somewhat confusing.

"This loading request ignores the tariff rules which provide for the weight requirements and that in order to secure proper official sampling and inspection it is necessary to load so as to leave 24 inches space from the roof of the car at the side walls of the car and levelled uniformly.

"Where cars are loaded nearer the roof than 24 inches, it makes it impossible for samplers to secure samples and inspectors to furnish final grades until the cars are moved to some point for unloading, thus leaving the hazard of condition and market value with the shipper until unloaded, that sometimes, requiring many days.

"Therefore, when cars are loaded to within 24 inches of the roof it is the maximum capacity carriers can expect and in my correspondence with M. J. Gormley, of the American car service division, I have suggested that the following rule be used and be the basis for their request upon grain shippers and that they publish same in their next printed report of their proceedings.

"They should also instruct their field representatives, travelling freight and local station agents, accordingly.

"Rule suggested is as follows: 'Please load all cars to within 24 inches of the roof at the

side walls of the car, but in no case load in excess of load limit stenciled on side of car.

"In line with rule of Docket 9009, Section 13 of Appendix No. 4 covering trimming cars, i. e., that the car be trimmed and levelled as required for proper sampling and inspection.

"To prevent overloading of cars weigh grain into cars, if by following the load limit weight there is more space than 24 inches at side walls of car after levelled do not increase loading but insert on shipping ticket and bills of lading *load- ed to load limits.*"

"May I suggest that if you agree with the above that you bring this subject before your next meeting and have a resolution passed that the car service division of the American Railway Association be requested to adopt the rule quoted as their suggestions to grain shippers for loading instead of the suggestions published."

Your Transportation Committee recommends that the rule we have suggested to M. J. Gormley, chairman, car service division, American Railway Association, be endorsed and adopted and that your committee be instructed to give this subject the fullest publicity and that shippers be requested to load in accordance with railroad tariff rules and to within 24 inches of the roof of car and uniformly levelled whenever possible, as per rule submitted.

As I stated, this is rather a serious subject, and I am working in connection with the Department of Agriculture, the field office, about the overloading of these cars. The reports I have show that on corn and oats there is a gradual overloading of the car which prevents a clean certificate of inspection at the time the car is inspected. They run from 8.6 to 13.6 overloaded cars in percentage at the different markets, Cincinnati, Indianapolis, Peoria and Nashville, and some of the other smaller markets. That means that the shipper has to stand between that certificate, and if the car gets out of condition, or the car is found to differ, he must take the risk of the market condition of the grain when it gets to the unloading place. That is a condition that should not exist. As the carrier cannot insist upon a heavier loading than within 24 inches of the roof of the car, we should not permit this propaganda to go out to the shippers, and urge them not to adopt the suggestions of the Car Service Division of the American Railway Association. I appeared before the Inspectors' Association this morning, and they had passed a resolution adopting this proposition that all cars be loaded within 24 inches of the roof. Even that is not sufficient to get a certificate on damp grain; and the weight per bushel, as well as the condition, makes a great difference. Wheat is the one grain you can load properly, where corn and oats cannot be loaded that way. The Committee thinks it should be supported, and should be glad to have you take such action as you desire, and instruct us in the matter.

Mr. Gray: I think the transportation proposition is getting more serious every day, and no one is better able to solve the problem than Mr. Goemann. In connection with his remarks there are five things, weight tolerance, size of cars and load limit, bulkhead charge, shipper's load and count. If we do not get wide awake to these, the railroads will give us more trouble in the future than they have in the past. The shippers as a whole should help Mr. Goemann. I move the adoption of his report, both the resolutions and the supplementary portion. (Seconded.)

Mr. Green: I had a motion in line with what Mr. Gray has submitted, which I would like to offer as a substitute. It is as follows:

This association heartily endorses the recommendation of Henry L. Goemann, chairman of our Transportation Committee, regarding the loading of cars as suggested to J. P. Gormley, chairman of the car service division of the American Railway Association.

We feel this matter should be given the widest publicity possible through *Who Is Who In the Grain Trade* and trade papers, and that all shippers be requested to load in accordance with the railroad tariff rules to within 24 inches of the roof of the car, so that proper inspection may be made of contents, regardless of railroad request to the contrary.

Mr. Gray: We shall be glad to accept that as a substitute for our motion.

The Secretary: Don't you think you should put that 24 inches from side wall? The roof is not perfectly flat.

Mr. Green: Isn't that generally understood?

The Secretary: No, it isn't.

Mr. Green: I will change that.

Mr. Hammom: We have to pay the \$5. We do not mind that so much, but some of the railroads are now charging for the material that goes into the bulkheads. It is very convenient to load

out a car with two different kinds of grain to accommodate your rule, but I do not see why we should pay the \$5 and then another amount for the bulkhead. We should eliminate either the bulkhead charge or the \$5.

Mr. Goemann: The \$5 is for the privilege of shipping a bulkhead car. We have had that up. You have to pay for the labor and cost of material in installing the bulkhead. That is the charge now, because the customer is unable to take the tremendous size of cars; he hasn't the need for the capacity. I do not know whether we can meet that without making formal complaint, and that is expensive. The informal complaint was decided against the association.

Mr. Fristoe: We have gotten along the last little while with the use of grain sacks. With corn and oats we put the oats in sacks, take about 40 sacks, and it makes a good bulkhead, we take two tiers of them, about 80 bushels, and that makes a good bulkhead. You may have to file a claim to get your \$5 back, but after a while you won't have to. We did for a couple of claims, and after that they were allowed. The Pennsylvania told us the \$5 was charged for the abuse of the car, nailing the bulkhead in. This way it doesn't cost us anything but the sacks, and it costs about \$2.50 perhaps.

The President: Does your bulkhead ever break down?

Mr. Fristoe: No, sir, it is better than boards.

Mr. Goemann: Your sacks may cost you more than the bulkheads, and if you loaded more than two grains, you would have to make two walls.

Mr. Fristoe: We use about 40 or 50. It costs us around \$2.50. We took it up under the suggestion of Mr. Chambers, and it has worked very well.

Mr. Rader: The carriers are all the time building larger cars. They do not build sixties any more; they are now talking about hundreds. I think the attack on this thing should be to watch the tariff end closely. There are rules in the tariff that if you order an 80, and they send you in a 100, you pay the minimum on the car ordered. If the country shipper, when he puts in his request, will put that notation on the bill of lading, he is safe, but if he neglects to put it on the bill of lading, 60 ordered and 80 furnished, then when he gets the car to market there are some bushels of grain that some one must take. We should see that the tariff rules are not changed in any way. If the carriers ask for an increase in minimum in corn and oats, they could not justify it, but if they continue to build these large cars, they can say "We want heavier loading," and it will be an argument to get the tariff rules changed. The tariff rules governing loading of these cars should be watched.

Mr. Goemann: I think you will find more difficulty in loading the split car of corn and oats that way because of the impossibility of getting your minimum. Where you order these special size cars, because of that variation there is a technical point that might come up which would compel you to take your highest minimum there, and that would be your corn. That might give trouble. And when you collect your claim and it is different from the tariff, you are violating the law. If they say "You pay the \$5 and we will not charge you for the bulkhead," you had better pay it, because it may be a violation under the law in accepting a rebate. Along the line of heavier loading, I have had a number of conferences with shippers here, and the fear is prevalent that the carriers are greatly increasing the size of their cars. I drew up a little memorandum as follows:

There has come to my attention, for illustration, the quotation of a bean rate from the inter-mountain territory to Chicago. It went into effect probably during the war period. They make two classifications of carload minimums, one of 50,000, which takes perhaps, let us say, \$1.20 per 100 to Chicago; and another carload basis of 40,000, which would take a 15 cents higher rate. This concern told me that they had only handled a few, because the only ones who buy were the canners, that the chain grocery stores would not accept over 40,000-pound cars. If these cars grow to 125,000 capacity, with a load limit of, say, 100,000, we may run into a classification already established through precedent in the tariffs of the carriers. I am giving you the word given to me by one of the largest bean shippers in the country. (Mr. Green's resolution passed.)

Mr. Goemann: I would like to offer the following resolution:

In view of the reports that are being circulated that some of the carriers are gradually building large capacity cars of say hundred thousand pounds, also 125,000 pounds and over and eliminating the 60 and 80 capacity cars from use

in transporting grain, and such action on carriers' part may become general, same would then create a serious handicap to the shippers, who are unable to load and sell and buyers who are unable to use the heavily loaded cars and who therefore demand the tariffs minimums now in effect as being the limits of their buying power and taxing their capacity to handle.

Therefore, We hereby go on record and request our Transportation Committee to bring to the attention of the proper officials of the American Railway Association the trade needs and limitations with respect to the building of larger cars than now in general use as per preamble hereto.

Mr. Green: I move the adoption of the resolution as read.

(Seconded by Mr. Moore, and carried.)

Mr. Goemann: In attending the weighmasters' meeting yesterday morning, they submitted two resolutions to this body for endorsement. The first is as follows:

Whereas, it has come to the attention of this association that new grain elevators are being designed and constructed, particularly at country points, in such a manner that the car loading spouts pass through one or more bins between scale and car, and

Whereas, this type of construction is conducive to loss of grain between scale and car, particularly when no additional protection is provided to prevent the loss of grain, such as an outer wall surrounding the car loading spouts where it passes through bins, therefore be it

Resolved, That the Terminal Grain Weighmasters National Association are unanimously agreed that this form of construction is not conducive



F. G. COE

to accurate weights, owing to the possible loss of grain between scale and car, and be it further

Resolved, That Mr. H. L. Goemann, chairman of the Transportation Committee of the Grain Dealers National Association, be requested to present this resolution to that body for their consideration, and be it further

Resolved, That the Grain Dealers National Association be requested to place copies of this resolution in the hands of elevator builders and designers for their guidance when designing and building new grain elevators.

Mr. Green: I move the adoption of the resolution. (Seconded by Mr. Moore, and carried.)

Mr. Goemann: The other is as follows:

Whereas, investigations conducted by terminal grain weighmasters, and statistics compiled by terminal grain weighing departments indicate clearly that the single sheathed box car is superior to the double sheathed car as a bulk grain carrying vehicle, for several reasons: First, the single wall car, when properly constructed of seasoned or kiln dried lumber, is practically leak proof, the number of such cars arriving at terminal markets in a leaking condition being negligible.

Second, no difficulty is encountered at unloading elevators in removing all of the grain from this type of car, their being no inner lining behind which grain can become lodged. It is not an uncommon occurrence that a considerable quantity of grain becomes pocketed behind the linings of double sheathed cars and, due to an obstruction in the openings at the bottom of the linings, and which cannot be removed without first removing one or more of the lining boards.

Third, the unloading operation is facilitated to a considerable degree when single sheathed cars are used; a single sheathed car can be swept clean in less time than it takes to sweep a double sheathed car, due to the fact, mentioned above, that grain lodged between the two walls, and also along the belt rail, must be removed before the car can be pronounced clean.

Be It Resolved, Therefore, that the Terminal Grain Weighmasters National Association are unanimously agreed that the single sheathed box car has demonstrated itself as being the ideal type of car for the transportation of bulk grain, and be it further

Resolved, That Mr. Henry L. Goemann, chairman of the Transportation Committee of the Grain Dealers National Association, be requested to present this resolution to that body for their consideration, and be it further

Resolved, That the Grain Dealers National Association be requested to place copies of this resolution in the hands of master car builders of the extensive grain carrying railroads, and builders and designers of freight cars, for their consideration when designing and building new cars for use in the transportation of bulk grain and other commodities.

Mr. Goemann: I move the adoption of this resolution. (Seconded by Mr. Green, and carried.)

The President: We will now have the report of F. G. Coe, chairman of Arbitration Committee No. 2.

REPORT OF ARBITRATION COMMITTEE NO. 2

YOUR Arbitration Committee No. 2 has been charged with the consideration of only two cases during the present year. These were—Case No. 1253—Dyer & Co., Kansas City, Mo. vs. The Sheffield Elevator Company, Minneapolis, Minn., and Case No. 1274—Paul Kuhn & Co., Terre Haute, Ind., vs. John T. Higgins, Otterbein, Ind., the latter coming to us on appeal from the decision of the Arbitration Committee of the Indiana Grain Dealers Association. Decision in these matters were rendered last March.

Your committee has only one recommendation to make, namely, to again call the attention of the trade to the necessity of having the evidence in all arbitration cases carefully and properly prepared. Many contestants seem to labor under the delusion that an Arbitration Committee can "read between the lines" or that it has the power of clairvoyance. The committee can only form its judgment and render its decision upon the evidence actually before it and litigants should assure themselves in advance that their cases are presented in an orderly, logical and clear manner and that they are supported by all the documentary evidence in their possession. This not only aids the committee in weighing also the facts, but assures a fair and just verdict.

Mr. MacDonald: This morning as the members entered the hall, up to 9:40 checks were passed out to each one. At the end of the meeting, those numbers will be drawn from a hat for these prizes we have here. These are given as attendance prizes, and they have been donated by the various grain exchanges. We have been hopeful this might help our attendance and punctuality.

The President: I regret to say that B. E. Clement, chairman of the Committee on Legislation, is seriously ill, and will be unable to be here. He has been unable to prepare a report. The subject matter of his report has therefore been incorporated in the reports of the secretary and president.

We will now have the drawings of the attendance prizes.

Drawings were had, and the following were the winners of the prizes:

First prize, A. H. Fuller of The Spencer Equity Exchange Company, Spencer, Ohio; second prize, C. L. Zortman, of the Edinboro Co-operative Association, Edinboro, Pa.; third prize, Roland E. Smith, of the United States Department of Agriculture; fourth prize, Charles S. Knudson, of the Industry Elevator Company, Industry, Iowa; fifth prize, John S. Green of H. Verhoff & Co., Louisville, Ky.; sixth prize, C. B. Rader, secretary of the Merchants' Exchange, St. Louis, Mo.; seventh prize, Frank A. Theis, of the Simons Shields Lonsdale Company, Kansas City; eighth prize, E. M. Brown, of F. C. Brown Company, Barton, Vt.; ninth prize, James A. Sturges, of J. A. Sturges & Co., East Hampton, Mass.; tenth prize, L. B. Boston, of the John Hinkley Sons Company, Hyannis, Mass.; eleventh prize, Harold L. Gray, of Crabbs, Reynolds, Taylor Company, Crawfordsville, Ind.; twelfth prize, H. A. Slayton, of H. A. Slayton & Co., Morrisville, Vt.

The President: You have to give these New

England fellows credit for coming early and staying through.

If there is nothing further to come before us, we will now adjourn until tomorrow morning at 9:30 o'clock.

WEDNESDAY SESSION

THE convention was called to order by President Sturtevant at 9:45 a. m.

The President: We are due for a disappointment this morning. We have a telegram from Dr. Guthrie that he has been in an accident, and that it will be impossible for him to be here to address us this morning. He has sent his address, and we will publish it in full in the proceedings of the convention.

ADDRESS OF PROFESSOR GUTHRIE

THE World War put us on our metal. It tested our manhood. It gave our united democracy its first great trial of strength. It raised a lot of doubts as to the strength of democracy, its efficiency, its ability. It made us take invoice of our institutions, of our man power, of our elasticity, alertness, honesty, and sincerity, and versatility under stress. It tested our financial resources, our ability to borrow and our willingness to loan. Up to date many of these things had been taken for granted. The last 10 years have made us show cause.

Moreover, these trying years made us evaluate other peoples and other nations and other institutions. It led us to inquire into the basis of national life and independence and led us to think, if not to determine, in the terms of our great spokesman, Mr. Wilson; self-determination. It made us see ourselves as a great rich democratic state in perspective. It made us again ask, with that same spokesman, if this democracy was safe in a world of militant autocracy, and we accepted very widely the effective slogan that we fought to make the "world safe for democracy." That is, we fought for insurance of our system in a militant world—a world apt at any time to break out into fires of war. Again, in that fateful telegram to Prince Max we reaffirmed our confidence in representative institutions, in parliamentary government by telling him and the Central Powers, "We must persist until you repent and mend your ways and help make this world safe for our system. We gained these vantage points. We did help democratize Germany. We did help liberalize Austria. We did see and encourage and aid oppressed nations do what we once did—take their place among the nations of the world.

We then accomplished another task. We undertook to find or make or help to make a world of peace. We started like Sir Galahad to seek a priceless treasure. We sought to meet and have the world meet on the "Cloth of Gold." We sought to close the Temple of Janus permanently and change the ancient "day of the truce of God" into a perpetual day when law should reign.

"When the common sense of most should hold the restless realm in awe

"And the kindly earth should slumber lapt in universal law."

Not the least of all these undertakings has been our process of self-examination and introspection to discover, "What manner of men we are;" how we have conducted ourselves and how we are preparing to conduct ourselves in the future. It is these two propositions that I propose to briefly discuss with you at this point.

Standing at the threshold is one commanding fact recognized by the "founding fathers." That is, the Federal idea in government. Though not entirely novel, yet our experiment was on a large scale and with large hopes a departure. To it we were forced both by the laws of logic and by historical necessity. The states were here: Virginia, New York, Massachusetts, etc. Their traditions were nearly two centuries in the making. A natural and commanding guide was present in men, manners and achievements in peace and in war. Moreover, they had interests which, while more regional than colonial in nature, yet, gave objectives to the compounding units. It was, of course, this last cause that gave a more solid basis for a federal system. The areas differed in their needs and in their local and regional institutions. They differed in their ideals. They voiced the appropriateness of local self-government and the need of a divided sovereignty.

We, therefore, contrived or better utilized a contrivance that came to hand to give the various localities a separate and distinct local life. We, therefore, avoided the loose and apparently inadequate Confederation on one hand and the unitary or centralized form on the other. We left the states sovereign as to all affairs of distinctly local interest. We created a new creature, a federal or national government that should be supreme in

respect to all those concerns of general interest; as mails, passports, interstate commerce, etc.

It has not been, nor is it now, the subject of controversy as to this basic fact, this distribution of these two vast groups of interests. It is and has been the selection and assignment of the particular matter that shall be allocated to one or to the other. This has been the great concern since the great case of *McCulloch v. Maryland* down through *Ableman v. Booth*, *Slaughter House Cases*, *Civil Rights Cases*, *Hammer v. Dohenhart*, *Drexel Furniture Company Case*, etc. But the best statement of our persistence in a federal system is that classic utterance of Chief Justice Chase: "The American Union is composed of an indissoluble union of indestructible states." *Texas vs. White*, 70 *Wallace*, 700.

But the present practical aspect of this case I cannot pass in silence. We believe generally, I have little doubt, in the expediency of this federal scheme of things. The unitary imperial scheme bears in itself the seeds of its own destruction. The processes of disintegration and decay have displayed like symptoms from the Roman Empire to the present British Empire. And the case in point attempted the same path to a remedy—the shifting of power and responsibility back to the localities. The Roman reform came too late and society in general decayed. The British have probably taken due care and no doubt will enjoy a rejuvenation, a return of virile power out to the finger tips. Passing time warns me that I may not linger long to describe our present case. I do better to choose one acute illustration. We do well to heed Mr. Coolidge's warning words spoken at Kansas City



JOHN C. HODGE OF LOS ANGELES, CALIF.

last year on Federal subsidies that "the states must not give up their local control to a highly centralized authority in the matter of road building and other traditional state administered affairs."

This outstanding fact and other lesser ones involve organization and lead me to remark that organization is of two kinds: the "common law" and the "convention species"; the first grew up like Topsy in the woods or the English Constitution also in the woods. The conventional species we undertook "is the greatest instrument ever struck off at one time by the mind and purpose of man," by the ablest body of men that ever sat for a similar purpose. Not that we ignored the vast growth of free institutions and the historic recognition in philosophic terms largely of natural inherent human rights. But this constitution necessitated by stern circumstances contemplated an orderly civil and political society. Its organizing power is manifest in four directions:

1. The Federal Constitution organized and provided for the disposal of the national domain,
2. It organized the political populations and has continued to do so down to the Nineteenth Amendment, doubling suffrage in the United States.
3. It organized the Government in this territory by this population, and lastly,
4. It organized liberty.

These are climatic and find their final cause in the last, namely the security of the rights of man and the striking of a proper balance between

individual liberty and public order, welfare, and stability.

This was the outstanding contribution of American political experience to mankind and leads me to further illustration of this organization of liberty by discussing the third great feature of our government, namely, the principle and practice of the separation of powers. I need scarcely stop to remind you of the vast influence of the French philosopher and historian, Montesquieu of 1748, who in the "Spirit of Laws" elaborated the evolving government of England where he found liberty growing out of the separation of powers and declared that liberty sought in any other source was transitory and uncertain. I may, however, remind you that in your study of the history of liberty in America, you must add that more profound separation of powers between state and nation to fully appreciate how liberty here has grown out of the contest between state and nation over the determination of human rights.

I may stop a moment to explain Montesquieu's famous dictum, "Tyranny enters as soon as all powers, legislative, executive, and judicial are lodged in identical hands." One need only in a cursory manner examine the cases where private rights are preserved to discover what a great per cent of rights are fought out on the principle of this separation of powers; as for instance, the "Slaughter House cases" concerning the question of whether a man, deprived of freedom of industry, can be deprived of it by a state government; the "License Cases" as to whether a state can tax a citizen of another state; or in the *Myers Case* as to whether a man can be removed from a postoffice position by President Wilson without the consent of the Senate; and to appreciate the importance of the conception of organized liberty. The Constitution organized natural liberty; it conventionalized inherent rights; it brought them down from the circumambient air of philosophic contemplation into the realistic domain of law. It brought the Goddess of Justice from the clouds of men's hopes and made her walk the dusty path with men along the avenues of human realities.

But that achievement did not come without a struggle. And this struggle leads me to briefly discuss a fourth outstanding feature of American government, namely, the reign of law. So we come to that distinctive and outstanding contribution of our government to universal jurisprudence: the work of our Citizens' Courts. I say purposely, "Citizens' Courts" because while the courts of the Federal government, in a way, do not practice on the basis of the common law, yet by both our practice and the requirements of the Seventh Amendment there are no strictly administrative law or civil law courts in this country.

This feature must be seen in its two aspects. That the supreme court of the nation and of the states decide cases and determine human rights by determining different grades of law, by holding each organ of government up to the common law and the constitutional law limitations. Their respective powers are thereby maintained as is the reign of law in the affairs of men. The power of these courts to nullify law and also administrative actions in protecting human rights may be and is disputed but to the thoughtful man these courts are the paladium of our liberty and the guarantee of orderly government everywhere and always.

The second phase of these "Citizen Courts" deals with the administration of law and our use of them distinguishes most sharply the Anglo-American from the Continental system of government. In Europe the courts that decide these matters are parts of the government; in America these courts are made up of our citizenry. They operate at the behests of the populace and not at the mandates of the magistracy. The difference is significant and must be grasped to understand our system of government and our protection of liberty.

And here, my fellow citizens, I cannot leave this subject without urging on your attention the vast purport of the orderly and effective processes of the courts. When these orderly processes or functions are interrupted then justice flies to brutish beasts and men soon lose their reason.

May I remind you that while voluptuous arrogance sat on the thrones of the Caesars and disgusting immorality marked Rome to its fall, the people of Rome still respected her, were devoted to the Roman Eagles. And why? Because to the last the local courts did equity between man and man and maintained the reign of law in the principalities. You will also recall that the only English Revolution was preceded by the injustice of the "Star Chamber", the denial of "Petitions

of Right" against the king, and the denial of "Habeas Corpus" on behalf of the accused; and that the shining pathway toward English liberalism is marked by such distinctive victories as the Independence of the Courts in 1701 and the Habeas Corpus Act of 1713. There can hardly be any tyranny where the courts are effective and pure, and there can be neither liberty nor peace, national or international, when justice flies the haunts of men. Americans must defend their courts and around the altar of justice establish their relentless guardianship and drawing round it the fire of a righteous indignation say to all its foes, open or secret, in the words of the Almighty, "So far shall these come and no farther and there shall thy proud waves be stayed."

I presume I have about exhausted my time. I also surmise that up to date we are fairly well agreed. The second part of my study as to the doings of the Government are more in doubt. In fact, we may here reverse Browning's famous adage, "The ends were well, the means is where the doubt begins." Of course, only the most general references can be made to what the World War seems to have meant to us in directing the actions of our Government.

There are, however, certain large outlines I may suggest in line with my previous argument.

It is clear there may be certain perversions made in the rise of an instrument called a Constitution. Our system rests upon a conception of basic or organic law and of statutory law. The tendency in both state and nation is to blur this distinction. The tendency for all kinds of legislative and reformatory matter to filter into the Constitution is marked. The Eighteenth Amendment is an example. The ill fortune of such a venture appears when and if sentiment changes and you awake to the fact that you have done something you cannot undo. And you begin to realize that you have polluted or diluted the sources of your rights by making them parties to the deed. I deem this the most significant meaning and, in the minds of many, the most legitimate objection to present day prohibition.

I may also here, using this and other illustrations, as the Child Labor Laws (now of course voided) to urge upon you the tendency of the national Government to invade the "police power" of the states. This violates an original and consistently sustained conception of the position of the states in our Federal system. Up to date, the courts have been able to protect us against this departure as in the *Hammer v. Dohenhart* Case. But had the Twentieth Amendment been passed, you would have thwarted the courts in further maintaining the Government as designed by the "Founding Fathers".

The same line of reasoning is called up in considering another great change in the structure of the states resulting from the Nineteenth Amendment forcing women suffrage on reluctant communities. In this direction let me again insist that it is not whether it is wise or not for women to get or seize the ballot but rather whether the use of the Federal Constitution as an agency to determine voting power within the several states is justified.

Another inquiry started by the Great War resulted in a changed attitude on immigration—a vital concern of each nation. It is viewed variously by different nations but at present it is considered a domestic and not a "League of Nations" concern. Innumerable cases hold alike placing control exclusively in the Federal Government and denying power to the states. The novelty of this act, linking up the power to come in with the capacity to be naturalized, has at last given the immigration problem a vital relationship to our national political life.

Of course, the war brought some changed methods into our governmental life. None more promising as to future efficiency than the use of the corporation as an agency of government. Illustrations, as the U. S. Shipping Corporation and the U. S. Financial Corporation, reveal the possible departure from beaten paths in methods of administration. Starting with exclusive departments like state, war, navy, post office, etc., we began later, to use commissions, as Interstate Commerce Commission of 1887 and Civil Service Commission of 1883, created to execute specifically certain designs of Congress. The Great War has added the corporation as an adjunct to these earlier administrative organs.

A late and most practical and important phase of our constitutional development concerns the relations of government to the business world. It is matter of common knowledge that the Constitution was born and went through its novitiate in the midst of a giant controversy where converged three vast schemes of thought. First there came the "common law system" as codified,

elaborated and popularized by the great jurist, Blackstone. This proposed to let law and life grow and develop as they had done for a millennium in England by custom, usage and judicial decisions; "widening down from precedent to precedent the making of a world." In almost bitter sarcasm Bentham and Austin met this smug satisfaction of the Blackstone School with the twofold demand that private and social happiness is the goal of all organized effort and these ends lie in the pathway of conscious intelligent effort by means of positive law. The vast resultant of these two streams of controversy; the utilitarian led by Bentham and the theory of positive law promulgated by Austin brought into clearer perspective the third great principle; i.e., the "laissez-faire" policy of "let alone" in industry. All three points of view converge on one salient point, namely, the sacredness of the individual man and a profound confidence in his ability to take care of himself. The difference was largely one of emphasis on the method of guarding his interests.

Now in America two schools of thought appeared; one the Jeffersonian that "that government is best that governs least", and the other the "loose construction" view of Hamilton and his conferees expanding the power of the national government. America was fortunate in having a splendid synthesis of these views given sanity and safety by that great school of jurists led by the eminent John Marshall. Under the aegis of the principle of individualism our Government, under the Constitution, interfered very slightly with private industry. Dominated by "states' rights" doctrinarism, democracy undertook no serious enterprise of its own.

Beyond this general "let alone" policy certain facts joined to further this welcome course. Primarily, that there is no "Federal common law" and hence statutory regulation alone, gave ground for Federal jurisdiction (*Wheaton v. Peters*; 8 Peters 591; *Smith v. Alabama* 124 U. S. 465 and *Western Union Telegraph Company v. Call Publishing Company* 181 U. S. 92). This prevents any extended intrusion of the courts by the insidious process of common law adjudication and drives enthusiasts for public control into the open. Again, as the state governments possess police powers and the national Government has, properly speaking, no police power, the Federal authority has been kept within reasonable bounds. Furthermore, as the Federal Government is one of "granted" or "enumerated" powers, the excessive extension of government into the sphere of private enterprise is quite remote.

In fact, the activity of the Government under the Constitution down to the Civil War was rather negative and restrictive of state action than positive and constructive. It passed virtually no bankruptcy legislation prior to 1898 although the Supreme Court in *Sturges v. Crowninshield*, 4 Wheaton 122 limited the use of state insolvency where previous contracts were jeopardized; and in *Ogden v. Saunders* 12 Wheaton 213 where the state law was unfavorable to the rights of citizens of another state. It undertook the control of immigration only recently but it restrained the states from such control (*Passenger Cases* 7 Howard 283). It ventured timidly on the field of creating corporations but it set the meter and bound of state power in the famous *Dartmouth College Case* and in *Charles River v. Warren Bridge*. It passed only the most superficial pilotage laws but in a great commanding opinion (*Gibbons v. Ogden* 9 Wheaton 1) it closed the door forever on state monopolies. It reluctantly utilized credit paper in times of stress but it excluded state currency in Missouri in the famous "Bill of Credit" Case, *Craig v. Missouri* 4 Peters 410.

Time permits only the most sketchy survey of how the Government began a course of positive control. The remarkable principle of "implied powers" advanced by Hamilton in his defense of the First U. S. Bank was incorporated into our jurisprudence in the *McCulloch v. Maryland* Case 4 Wheaton 316. This principle has been rather overworked until in the *Child Labor Cases*, *Hammer v. Dohenhart* 247 U. S. 251 and *Bailey v. Drexel Furniture Company*, 259 U. S. 20, the Supreme Court called a halt in this loose construction career of Congress. Of course, the Civil War changed all this. "The captains and the kings depart; on dune and headland sinks the fire." But the legal effects of that war were immeasurable. It seems strange that for four score and seven years not one jot nor one tittle of power was added to the Federal Government by amendment. But from the Thirteenth Amendment 1865 to the Nineteenth in 1919 Congressional power grew by leaps and bounds by amendment; and the defeated Twentieth Amendment, Child Labor, il-

lustrates with what incursions a reforming Congress threatened the states.

The Civil War period is marked by a vast expansion in the business world and its attendant unbalancing effects. The zones where this was most apparent were the railroads or carrier business and the development of corporate industries.

After the first flush of satisfaction over the vast mechanical and economic achievements in railroading were passed, the inequalities and discriminations of the system challenged attention and first led the national Government to undertake transit control. It is worthy of comment that not until a full century had elapsed did the Government exercise its constitutional powers in the premises and the far-reaching "Interstate Commerce Act" of 1887 was the result. This act and the activities of the commission represent Federal interference at its best. It has not done all its sponsors thought for it. It has been amended several times to remove various difficulties. The vagueness of its original form has yielded to very specific powers and vast extensions have carried the commission into ever-widening areas. It has been, no doubt, a real achievement as an experiment of control. Congress thus tardily took a hand in the control of industry.

The next experiment in extensive public control brings us to the rather less fortunate "Sherman Anti-Trust Act" which furnishes us with an excellent example of the advantages of the English common law form of control over the statutory. As the national Government was confronted with the necessity of curbing the rapidly expanding trusts, its helplessness to act under the common law became apparent. It was no question of constitutional power. That was conceded. It was a question of statute framing and in this particular case the experiment was highly unfortunate. Excessive hostility to over-developing industrial systems was inherent in the conditions and the "Sherman Act" represents public control at about its worst. The act was vague, too highly punitive, difficult of enforcement and altogether drastic and hostile to big business, bad or good. We shaped it to cover trusts and have been compelled to apply it to mergers and to corporations. We were compelled to punish the good with the bad, condemn combines on the basis of size regardless of quality. We escaped from part of the incubus of this control by the resort to "rule of reason" in the *Standard Oil and Tobacco Cases* in 1911 (U. S. v. *Tobacco Company* 221 U. S. 106; *Standard Oil case* 221 U. S. 1).

We took another step in the direction of the English Common Law process when in the "Steel Trust" case 251 U. S. 417, the courts refused to order a dissolution and when as one writer puts it the "rule of reason" of 1911 becomes the rule of business expediency in 1920. Besides being modified by judicial interpretation the "Sherman Act" has been made more workable and less destructive by amendatory acts; specially that part of the "Clayton Act" of 1914 modifying its rigor in labor disputes and the "Webb-Pomerene" act of 1918 exempting associations "organized for the sole purpose of engaging in foreign trade and actually solely in such export trade". Ultimately this must be done also for those domestic concerns whose business is in any great degree foreign throwing us in sharp competition with lands favoring trustified industry.

The attitude of the courts, state and national, in the last two decades betrays greater caution in the application and enforcement of public acts touching private enterprise. The voiding by the Supreme Court of the "First Employes Liability Act" the same unfavorable rulings by the Supreme Court against the "Child Labor Law" enactments in the "Hammer v. Dagenhart" and the *Bailey v. Drexel Furniture Company* cases reveal the wholesome restraint of the court of final resort on the questionable career of Congress (See also in re *Jacobs* 98 N. Y. 98; and *Lochner v. New York* 198 U. S. 45 as to state legislation.)

While my attitude on these two great acts of Congress and the far reach of the principle of "implied powers" may display a certain bias against Federal control it will not, I trust, prejudice you against a generous display of Federal power in other directions. I think we all agree in the decision of the court (*Champion v. Ames*) sustaining the antilobby acts; in the decision of the court in enforcing the Pure Food Act of 1906. (*Hoke v. U. S.*) in the Mann White Slave Act sustained as a proper implied power in *Caminetti v. U. S.* and in the Harrison Narcotic Drug Act of 1914 sustained in *U. S. v. Doremus* 240 U. S. 86. I believe my point of view can be best expressed by quoting Justice Somerville in the decision of the Supreme Court of Alabama void-

ing a price-fixing profit, controlling state law of September 30, 1919, in "State v. Goldstein" 207 Ala. 569, 18 Ala. App. 587. "Such an act is a direct challenge to those theories of personal liberty and freedom of action which underlie and permeate constitutional government in America. It is in short a radical and epochal departure from the trodden paths of governmental action under hitherto recognized constitutional restraints and a bold excursion into the field of purely paternalistic control of the private business of citizens." The court goes on to say of such statutes: "This would be practical socialism and it would be the end of the American ideal of personal liberty as understood and enjoyed for more than a century under constitutional guarantees designed to protect the citizen against arbitrary and unnecessary governmental interference."

Gentlemen of the convention, I am only a teacher of youth and a student of the laws of the land; yet I recall that solemn injunction left by Stephen A. Douglas in his last utterance, "Teach my sons to obey the laws and honor the constitution of their country." I am not nor are you afraid any longer of such menace as the Russian defiance of our order and security; for those forces of radicalism dashed hopelessly against the solid rocks of conservative economic sanity on every hand and retired thwarted to the zones of their own cruel achievements.

There is however danger from within. Danger that we may lose the faith of the "Founding Fathers"; a faith that has lighted our pathway for five generations of men; faith in the common man of which Lincoln spoke; faith in his ultimate inherent honesty and faith in his ability to care for himself and act honorably with all men; faith in individual effort and private initiative as the well-springs of progress. My fellow citizens, we have avoided and evaded many lurking dangers with a vigilance that never sleeps and which we know is still the price of all enduring liberty. My fellow citizens I wish to give you my creed:

I believe in the Federal system of political society as given us by the "Founding Fathers", "composed of an indissoluble union of indestructible states."

I believe in a constitutionally limited government by a vital instrument whose branches yield to the gentlest breeze of opinion but whose roots grasp the rocks with a grip storms cannot loosen.

I believe in a system of checks and balances that shall transfer the impulse and the caprice of the moment into the sane intention of patient deliberation.

I believe in the United States Supreme Court as the final arbiter of our legal destiny.

I believe in the bicameral legislature and acclaim the Senate as a splendid companion to the House despite its detractors.

I believe in a two party system and stamp all attempts at the organization of "blocs" and "soviets" as the suggestion of amateurs in the art of government and the devices of folly and delay.

I believe in the absolute rule of the majority legally arrived at and condemn all methods aimed at its subversion as unsound principles in the science of statecraft.

I believe in the reign of law and allege that you may have law without liberty but you cannot have liberty without law.

I believe in treaties as "part of the law of the land" and in international contracts as solemnly binding on all signatories.

I believe in the democratic rule of all the people concerning universal social interests and challenge the "pluralists" to show cause.

I believe in the conception of political and social progress arrived at and conserved according to the forms of law.

I believe in the manifest destiny of the American nation and favor such racial and national selection as shall conduce to that high end.

My fellow citizens, in conclusion may I take the liberty of calling you to the noble service and high hopes which participation in this destiny vouchsafes us. And no more fitting lines come to my mind than those from Milton's Areopagitica, "Lords and Commons of England consider what nation it is whereof ye are and whereof ye are the governors; a nation not slow and dull but of a quick, ingenious and piercing spirit acute to invent, subtle and sinewy to discourse, not beneath the reach of any point, the highest that any capacity can soar to. Me thinks I can see in my mind a noble and puissant nation rousing herself like a strong man after sleep and shaking her invincible locks. Methinks I see her as an eagle mewing her mighty youth and kindling her undazzled eyes at the full mid-

day beam purging and unsealing her long abused sight at the fountain itself of heavenly radiance."

The President: At the last convention a special committee was appointed to attempt to harmonize the arbitration rules of the association with the rules of the various exchanges, so as to avoid conflicts over the question of jurisdiction. S. P. Mason, chairman of that committee, will make his report.

REPORT OF THE JURISDICTION COMMITTEE

BY ACTION of the association at their convention in Omaha last year, this committee was appointed by the president to clarify the jurisdiction of the Grain Dealers National Association in arbitration cases where litigants are members of the national association and of an exchange; also to definitely define the jurisdiction of the Arbitration and Appeals Committees in cases subject to the terms of an exchange or board of trade.

After preliminary correspondence and conferences, a final meeting was held in Kansas City May 11. It was the unanimous opinion of the committee that we recommend to the Grain Dealers National Association the adoption of the following rules for inclusion in the arbitration rules:

"To Article 3, add Section 3: The Arbitration Committees of the Grain Dealers National Association shall not, except by consent of both parties, assume jurisdiction over transactions between members of the same regularly organized



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board of trade or grain exchange when such transactions are subject to the terms of such board of trade or grain exchange.

"To Article 3, add Section 4: When transactions are subject to the terms of a regularly organized board of trade or grain exchange, the Arbitration Committees of the Grain Dealers National Association shall render their decisions in accordance with the terms of such grain exchange or board of trade and such terms shall be binding upon the Arbitration and Appeals Committees of the Grain Dealers National Association."

Mr. Mason: As to the first section, a rather peculiar case came up. In Buffalo, two members of the exchange got into a local dispute, and one attempted to put it before the national association, and the other said it was a local matter.

Dan M. Johnson: I move the report be accepted. (Seconded by Mr. Beardsley).

Mr. Kearn: Where you mention specific rules of an exchange, suppose a shipper sells to a market, and the transaction is governed by that exchange, although the shipper is not a member of the exchange; would the national association have jurisdiction over that if the member of the exchange refused to arbitrate?

The President: The national association would have jurisdiction, but the rules of the market would govern the transaction.

Mr. Kearn: But the arbitration would go to the national association instead of the exchange?

The President: The plaintiff would have the option of bringing proceedings before the national association, or, if the market rules forbade it, to bring it there.

The Secretary: But the arbitration itself would

be under the rules of the market, because that is a part of the contract.

The President: There is nothing new in these new rules; they are merely the expression of customs which have been quite generally followed by the Arbitration Committees, but it was thought desirable to definitely express these principles so that there could be no misunderstanding.

My understanding is that Mr. Johnson's motion is to adopt the report, which includes the adoption of the new arbitration rules.

Mr. Johnson: Yes. (Motion carried).

The President: The next will be report of Committee on Recommendations of secretary and president, Mr. Reimann, chairman.

REPORT OF COMMITTEE ON RECOMMENDATIONS

WE HAVE two recommendations to present. All the others in the report would have automatically gone either to the Resolutions Committee, the Trade Rules Committee, and one to the Special Committees appointed at Omaha last year to report on changes in dues, if any.

We recommend that Paragraph 3, Sub-section (c) of Article II be amended to read as follows: "Country grain shippers who are members of an association affiliated with this Association shall be affiliated members of this Association; but receivers, track buyers, brokers and others who are eligible to direct membership in this Association shall not, by reason of their membership in an affiliated association, be entitled to the rights and privileges of affiliated membership in this Association; provided, that nothing contained in this section shall be understood to relieve any member of any affiliated association who is doing a grain, seed or feed business, from compulsory arbitration with direct members of the National Association." (Seconded and carried).

We also recommend that the following paragraph be added to Article III of the By-Laws, to be known as Section 8:

"No change in the name of a direct member shall be made by the Board of Directors of this Association unless the said member applying for such change assumes all the obligations of the prior membership." (Seconded and carried).

The President: The committee is dismissed with the thanks of the association.

We will now have report of special committee appointed to consider the question of raising the dues. Mr. Watkins, chairman.

REPORT OF SPECIAL COMMITTEE ON DUES

FOLLOWING a discussion of the advisability of an advance in the dues of the association, this committee was created a year ago at the Omaha convention to make a further study of the matter and to report its findings to this convention.

It was decided by unanimous vote of committee to await the result of the Booster Campaign for membership during the current year. At the conclusion of this campaign, it appeared that a sufficient amount of revenue would be obtained from the dues of new members to leave the association finances in fair condition, as will be noted from the treasurer's report. Under these circumstances, it is the recommendation of this committee that the dues of the association do not be advanced at this time.

Your committee recognizing, however, the restrictions which are placed on the activities of the association, particularly in the fields of legislation and transportation, by limited funds, would suggest that this matter be referred to a special committee or to one of the standing committees for further consideration and recommendation to some future convention of the association, should a contingency arise whereby, through a decline in membership or extraordinary calls on the treasury for legitimate purposes, an advance in dues would appear in order.

Mr. MacDonald: I move the report be accepted and placed on file. (Seconded and carried).

The President: This will dispose of the question of an advance in the association dues as far as this convention is concerned.

We will now have the report of the Trade Rules Committee, Mr. Mason, chairman.

REPORT OF TRADE RULES COMMITTEE

RULES are a question of development and growth and in continuing as chairman of the Trade Rules Committee the past year, it has been my observation and experience that while changes and additions should be made from time to time as necessity arises, that as a whole the

committee has had surprisingly few complaints of the rules themselves.

The committee wishes to place formally before the convention, the growing irritation in cases arising from conflicts between Grain Dealers National Association rules and local rules of exchanges, boards of trade, etc.

Committees have been appointed in the past in an endeavor to secure uniformity, but necessarily, this can only be done in the broader principles of trading and I am of the firm belief that if each member present, would constitute himself a committee of one to investigate and bring up before his local exchange, the differences that are natural in character, some of which will be presented to you here today, we can more quickly reach a uniformity than in any other manner.

Specifically, I mean that each of you compare your rules with the Grain Dealers National Association rules and refer differences to local committees; if it is found our rules are best, endeavor to have your rules changed to conform, but if there are good and sufficient reasons that your local rules are best, write Mr. Quinn, or the chairman of the Trade Rules Committee, giving your reasons, and if the consensus of opinion is against us, our rules can be changed.

The two instances of conflict I will bring to your attention today are that a number of exchanges specify shipment the first half of a calendar month to mean the first 15 days, irrespective of the length of the month; others specify the sixteenth, in months of 31 days, the fourteenth in February, etc. I have been requested to obtain an expression of the convention in respect to changing our rules to this latter method. The committee recommends changing our present rule, which now reads:

"First half of the month shipment shall be construed as meaning the first 15 days, including February, and the last half of the month shipment shall mean the remaining days,"

So that it shall read:

"First half of the month shipment shall be construed as meaning the first 15 days of months of 30 days, the first 16 days of months of 31 days, and on contracts relating to shipments during the month of February, the first half shall be construed as the first 14 days, when said month contains 28 days, and the first 15 days when said month contains 29 days, the remainder of the month in each case to be considered as the second half."

Mr. Custenborder of Sidney, Ohio, proposes that the first paragraph of Rule No. 5 be changed to correspond with rules now in vogue in a number of the larger terminal markets.

Present Rule:

"In making contracts, a specific time in which shipment or delivery is to be made shall be mentioned. Any given number of days shall mean calendar days, excluding the date of sale in which to load and ship grain to apply on a sale for shipment, or to deliver at the agreed destination grain sold for delivery."

Proposed substitute:

"In making contracts, the specific time in which shipment or delivery is to be made, shall be mentioned. Any given number of days shall mean calendar days and shall be reckoned from the day after full billing instructions are received by the seller in which to load and ship grain to apply on a sale for shipment, or to deliver at the agreed destination, grain sold for delivery."

The adoption of this proposed change would require a change in Rule No. 6, Paragraph (a) which now reads:

"In case grain is sold for three or five days shipment, the buyer shall furnish billing instructions by wire on the date of sale, unless said instructions were embodied in the original articles of trade."

So that it shall read:

"In case grain is sold for three, five or ten days shipment, the buyer shall furnish billing instructions by wire on the date of sale, unless said instructions were embodied in the original articles of trade."

In the July 5, 1928 issue of *Who Is Who*, a full article was presented in reference to the proposal of Mr. Hankerson to add to Rule No. 5 a paragraph reading as follows:

"On shipments destined to the Pacific Coast States moving westerly in natural trade routes, but not backhauled, and which are diverted at Denver or points west thereof, the date of shipment from original billing point shall be considered the date of shipment."

I received two letters from Denver firms, recommending the adoption of this rule and one from a Pacific Coast firm.

I also received a letter from Mr. Killingsworth of San Antonio, Texas. Mr. Killingsworth sug-

gests, and the Rules Committee believes that his suggestion should be seriously considered, that the adoption of Mr. Hankerson's rule would apply only to a certain locality and it is his belief that if the change is made, a rule should be framed that would be general in application to the New England States, to the Pacific Coast and to Texas.

In the rules of the Texas Grain Dealers Association, Rule No. 7, Paragraph (3) now reads as follows:

"Cars diverted shall apply on contracts in accordance with date of original bill of lading, regardless of date diversion, provided that more than three days' delay in transit has not been occasioned by such diversion."

Mr. Killingsworth suggests an addition to Rule No. 5 as follows:

"The original shipping date shall govern on grain sold f.o.b. a certain trade territory, or basis delivered for shipment from a certain trade territory, provided that no unusual delay in movement is occasioned by the diversion."

I would like to have a general discussion of the practical working of Trade Rule No. 32, during the past year. A suggestion has been made that it is becoming quite customary to overload 80 capacity cars from 1,000 to 2,000 pounds, and under our rules, where more than 88,000 pounds of grain are loaded in an 80 capacity car, the basis of settlement is 84,000 pounds.

I believe that if each member would constitute himself a committee of one to bring before his local exchange the differences in rules that are national in character, we would make much faster progress. Whenever a rules committee of the national association takes up with an exchange formally a change in rules, the exchange listens very intently, but is very conservative when it comes to making a change. If you here in convention, if our association rules are wrong, would tell us so and tell us why, we will endeavor to correct them; but if you think our rule right, then as a member of your exchange go home and get your committee there to consider our rule. If you find when you get home there are good reasons why your rule is right, write the secretary or the chairman of the Rules Committee, and in this way perhaps one of the rules can be changed.

We have had two complaints during the past year. The first is that a number of exchanges specify shipment the first half of the calendar month to mean the first 15 days, irrespective of the length of the month. Others specify 16 days in months of 31 days, and 14 in February. We have been requested by one or two of the exchanges to change our rule. Our rule says the first half means the first 15 days in all months, and the last half the remaining days. We were asked to change that to 15 days in months of 30 days, 16 in months of 31 days, and 14 days in February. Our present rule is simple, but some of the exchanges have the other rule. There will be no change recommended by the committee unless some one in the meeting suggests it.

The President: It has been customary at this point for the president to turn the meeting over to the chairman of the Rules Committee.

Mr. Mason: Another complaint that came was received from Mr. Custenborder, of Sidney, Ohio, and one or two others. Mr. Custenborder complains that in buying from a market, he finds that the market rule is that the time of shipment shall date 10 days after the furnishing of full billing instructions; and he sells to the consumer under the national association trade rules, where we have to furnish the billing, and it dates from the day after the contract, and he is between two fires in buying and selling. Either our rules are incorrect in that or the grain exchange rules are wrong. I have found it the practice in all of the larger markets, Buffalo, Chicago, Milwaukee, Sioux City, Omaha, that they all have the rule that the time of shipment shall date the day after full billing instructions are received. If you buy corn 10 days shipment, and do not furnish a man billing instructions for 10 days, under our rules he would have to get the corn out in 10 days, even though he didn't get the instructions until the eighth day.

Mr. Adams: If you put in the words "providing shipping instructions are given at time of purchase or sale," would not that cover it?

Mr. Mason: I do not believe it would in that case.

Mr. Adams: Then you could cover it with a second clause, in case shipping instructions are not given at the time of purchase.

I believe the rule we have is better, for the reason that it gives an opening there, if we change it to the recommendation made, for a man

to change his shipping instructions after they have been given, and of course that would be the last shipping instructions, and that would be a case for arbitration. Isn't it best to leave it clear and know it is a day after the day the trade has been made, and it is assumed you receive the billing instructions? If you put it off, make the shipping instructions go by mail, and then there is a dispute as to the day the letter was received. I think it dangerous to change it.

Mr. Mason: I agreed with that, but when I found all the larger markets have the other rule, I felt there must be a reason for it, and that the markets can't all be wrong in this respect.

The President: I think the markets are all wrong on this rule. I think it takes an unfair advantage of the buyer. It is as much the duty of the seller to see that he gets billing instructions as for the buyer to furnish them, but the seller is likely to sit back and do nothing, and take advantage of a situation that is not only unfair, but not within the control of the buyer, because very often he sends his instructions, and they are not received. I think the definite rule to ship within a specific time is necessary, and that an effort should be made to get the markets to change that rule.

Mr. MacDonald: Many of the people in the East somehow or other have a feeling that this organization is an organization of shippers and I am glad to see you go on record as endeavoring to give the eastern buyer, or the buyer, more of a run for his money. At the same time, I think custom or trade pretty well establishes the fact. I doubt if any buyer in the East would buy on 10 days, furnish billing instructions on the eighth day, and expect instant shipment. The contracts we are in most cases asked to sign clearly lay down that custom, that it dates from the time full billing instructions are received by the seller, that I doubt if a point could be sustained, particularly under our practice. I do not think any of us would expect to buy for prompt shipment, and then nine days later give billing instructions, and expect the shipment the next day.

Mr. Edwards: What about the next day?

Mr. Mason: Our rule provides on three to five days billing instructions shall be furnished the same day; on 10-day shipments, in three days. It is a matter of courtesy on the part of the seller, if he doesn't require billing by wire or mail on a 10-day shipment, if you don't furnish it in three days, it is simply usage or custom or courtesy of the seller, because under our rules he is entitled to demand the billing instructions.

Mr. Evans, Decatur, Ill: As a country shipper, we have no elevators to load from, and cannot load on specific days, and it is a matter of getting the grain in transit and getting it inspected, and we couldn't possibly, in many instances, have a car ready in two days to ship east on a 10-day contract. Then we will have a car two days after the contract is made that will apply on the contract, and cannot get billing instructions. It seems to me we should have 10 days from the day the billing instructions are given. In a terminal you have the facilities, and can load a car out any time you want to, but we cannot in the country. It ties us down in selling country run grain unless they give billing instructions. As I understand the rules, we have 10 days after the instructions are given.

Mr. Mason: Under our present rule you are not supposed to wait.

The President: There has never been a dispute under this rule affecting grain shipments inbound to a market. Buyers and sellers of inbound grain get along without trouble. The question arises on sales for shipment from terminals.

Mr. Mason: The Rules Committee does not recommend any change. I do not think this is enforced in many of the terminal markets, but they have it in there so that when you cannot get billing, you have some method of enforcement, and it automatically extends the contract in a case such as Mr. MacDonald speaks of, where billing isn't furnished until the eighth day. Under our rule, if you accept the billing on the eighth day, I think you would be compelled to get it out on the tenth day.

The Secretary: If you did not accept the billing, would it be a default?

Mr. Mason: On the third day it is your duty to get the billing.

The Secretary: Suppose the man delays, and the fourth, fifth and sixth days pass, wouldn't it be regarded as a default if the seller refused to be bound by that rule and refused to ship in 10 days?

Mr. Mason: My opinion is that under our rule if the sixth or seventh day the buyer gave the billing, the seller would have to get it out within

the 10 days, and if he didn't it would be a default.

The Secretary: Suppose he refused to accept the billing because the man hadn't sent the billing within the three days, what would happen?

Mr. Mason: That would be a case for arbitration. It would not be an automatic default by any means. I wish you would all present this matter before your grain exchanges, and during the next year if you see anything we should change, write us, and if you think yours should be changed, take some action on that. There is merit in Mr. Cusenbolder's suggestion.

The Secretary: What would be the position of the parties in the case suggested?

Mr. Mason: If the shipper slept on his rights when he had a right to demand the billing within three days, and he didn't get it, and if was sent to him in five days, he couldn't refuse it, but would have to get the grain out in the 10 days.

The Secretary: What would happen if he refused to accept the billing after the third day?

Mr. Mason: I do not think he could. He had certain rights, and he should have gotten the billing within the three days, and if he didn't and the man furnished the billing on the fifth or sixth day, I am inclined to think the Arbitration Committee would consider he had to get the grain out.

Mr. Evans: The buyer has fallen down on his part because he hasn't furnished the billing instructions.

Mr. Mason: Yes, the buyer is at fault in not giving the instructions in three days, but giving them in six, and then the seller refuses to get it out because the buyer hasn't complied with the rules.

Mr. Evans: I do not think the seller has defaulted. In our office, if they give it on the fourth day, we are helpless. If they do not give us the three days, and we have asked for it, and he hasn't given the billing, can we default them?

The President: Rule VI, Paragraph (B) covers the seller's rights in that situation.

Mr. Mason: The next question I would like to bring up is one raised by Mr. Hankerson, of San Francisco. You perhaps noticed in the *Who Is Who* of July 5, a full article giving the argument pro and con in reference to the association recognizing time of shipment on grain that is diverted. A very full discussion has been had in *Who Is Who* in the past, and I believe also on the floor of the convention. The Grain Dealers National Association now has no rule, but our Arbitration Committees recognize that a diversion date governs. Mr. Hankerson, for the Pacific Coast, where it is the custom to divert grain sometimes to the coast points, sometimes at Denver, and sometimes on the north coast, and at Spokane, claims that the custom and usage has been that the original date from the country point governs. He suggests the following rule:

"On shipments destined to the Pacific Coast States, moving westerly in natural trade routes, and not back-hauled, which are diverted at Denver or points west thereof, the date of shipment from original billing point shall be considered the date of shipment."

When that was published in *Who Is Who*, he requested all the trade to comment, and we received a number of letters. Those directly interested, such as the firms in Denver and San Francisco, have sent wires and letters recommending the change. Firms in Texas very generally speak in favor of the change, but they say the change should be broader in scope, so as to include the state of Texas. In the Texas trade rules, they have a rule that the date of original shipment shall govern, but they also include with it "shall not be delayed more than three days at the diversion point." I believe in the East it is quite common that the original date shall govern where grain is diverted at Buffalo or points east. We recognize Mr. Hankerson has a strong point, because of the usage and custom, but it has been hard to frame a general rule. The association does not want to recognize a local condition. This condition is national in character, but it has been hard to frame a rule that will apply, because all the arbitration decisions have recognized that in the ordinary course of trade the diversion date shall govern. Mr. Sturtevant had that actively before him when he was on the Trade Rules Committee, and I should like to hear a word from him.

The President: I think if we could frame a general rule to cover this situation, it would be highly desirable, because we recognize the Pacific Coast trade and the New England trade operate on the basis of date of shipment, but I think it would be a dangerous precedent for us to adopt as a national rule a rule such as Mr. Hankerson

proposes, which is to cover a local situation and a special diversion point. If we start anything like that, then we shall have to have a map to show where grain can be diverted without affecting the date of contract. If we could frame a general rule, without naming any point, and lay down principles on which this could be handled, it would be highly desirable, but I never was able to figure out such a rule. I would suggest the new Trade Rules Committee take it under consideration.

Mr. Mason: We tried to frame a rule, keeping away from point of diversion on grain destined for the Pacific Coast and the New England trade, that the original date should govern, but I think it is generally recognized on the coast that grain shipped from a point such as Sioux City, for instance, the date of shipment from Sioux City shall govern. Then because a point happens to be some place east of the point named, they would clamor to be placed within the jurisdiction of the rule.

The President: For instance, take two cars of corn shipped the same day from North Platte, Neb., 500 miles west of the Missouri, one to Denver and one to Omaha; the rates apply via both routes. I would be no hardship on the buyer to have the car from North Platte that moved to Denver diverted at Denver and have the North Platte date govern; but if you shipped the car 350 miles east, and then 350 miles back, before it gets to where it started, it would be an imposition to ask him to accept the North Platte date as the date of shipment.



THE LATE E. M. WAYNE

The Secretary: That would be a back-haul, wouldn't it?

Mr. Mason: It could be, but wouldn't necessarily be a back-haul.

Mr. Flanley: I do not see how you can make a rule to govern local conditions, and I believe that is what would have to be done to fit the situation suggested by the San Francisco people who brought the matter up.

Mr. Mason: I wrote Mr. Hankerson the Rules Committee didn't feel they could make a definite recommendation, but would be glad to bring it on the floor of the convention. His rule seemed local in character, and we needed a broader rule in this instance.

This is all the committee had to bring before you, except as a final word to say that Mr. Goemann spoke to you in reference to car capacities. We have Rule 32 on from 80,000 to 88,000 capacity cars, and there is a growing feeling that something should be done in our rules to cover 89,000, 90,000 and 91,000 pounds better than they are at present covered. I would like to have you carry that thought home, and if you have any suggestions, bring them back to the committee.

Mr. Rader: I move the adoption of the report. (Seconded by Mr. Green, and carried).

The President: One of our vice-presidents, a most active and faithful member of the association, has passed away. I think we should spread on our records our sentiments with reference to the death of Mr. Wayne, and I have asked Mr.

Baldwin, a lifelong friend of Mr. Wayne, to express the sentiments of the association.

Mr. Baldwin: I have prepared here a resolution which I would like to present.

RESOLUTION TO MEMORY OF EDWARD M. WAYNE

The all wise God in his wisdom has taken home Edward M. Wayne in the days of his usefulness, why we know not, but do believe that we shall know the reason and will also meet our friend again in the life beyond.

We wish his wife and family to know of the high esteem in which he was held by his co-workers in the Grain Dealers National Association and that we share with them the great loss to us all caused by his passing away from us.

We wish that they may know that the fragrance of his memory, of his many unselfish acts, of his ever present desire to help promote our common welfare cause us to rejoice that we have known him.

Be it Resolved: That these words be inscribed upon the permanent records of our association and that the secretary be instructed to send to Mrs. Wayne a copy of the same.

(Seconded and passed.)

Mr. Baldwin: Mr. Wayne was president of the association when money was scarce and our troubles many. He did much to put the association on its feet at that time, and turned it over to his successor after two years of hard work in much better condition than when he found it. He was always found in both state and national association meetings in a chair very close to the speaker. He was always alert and courageous in debating subjects that came up. He was a president-maker for the association, always looking ahead, and had a large part in selecting some of our presidents, by going to them and inspiring them with a wish to do the association work. Among these were Ben Clement, Charles B. Jones, Fred Horner, Lee Metcalf and Percy Goodrich. His wife when he courted her lived in another state, in Illinois, and Ed lived in Iowa. Some friends of his wife, when they found there was apt to be a marriage, wrote to friends of Ed in Iowa about him. One friend came to Ed, and said, "What shall I say?" He said, "You tell the people in Illinois that the Wayne boys are just good average American citizens. We don't claim to be better than anybody else, and possibly we aren't any worse." That was his idea of life. At home he was a member of the First Presbyterian Church, a kind and loving father and grandfather, a successful farmer, grain merchant and banker. You and I have lost a wise counsellor and a true friend.

The President: We thank you, Mr. Baldwin.

The secretary has a short report from the Committee on Uniform Grades, which he will read for Mr. Beardsley, the chairman.

REPORT OF COMMITTEE ON UNIFORM GRADES

DURING the past year there was no activity in the Uniform Grades Committee. With the single exception of the addition of Section No. 18 to the United States Grain Standards Act, which section adopts and defines a grade of oats known as "Cereal Oats", there have been no other changes in the grain standards of the Department of Agriculture.

Several bills now pending before Congress may cause drastic changes or even completely eliminate the present system of grain grading if adopted. We are powerless to act on any of these matters at the present time, but our association should ever keep a watchful eye on all such measures which may vitally affect the grain business of the country at large.

Mr. Flanley: I move the report be accepted and placed on file. (Seconded and carried).

The President: The secretary has another matter to bring up in connection with the legislation known as the Tillson Bill.

The Secretary: It will not be necessary to discuss it at length, because I spoke of it on Monday. It was introduced at the last session by Congressman Tillson of Connecticut, the floor leader. There are two bills the grain trade is much interested in, the Britton Bill, introduced by Britton of Illinois, and the other the Tillson Bill. The Britton Bill has for its purpose the substitution for our present standard of weights and measures what every one knows as the metric system, and that is a direct substitute. The Britton Bill has been before the House Committee on Coinage, Weights and Measures a number of times, and extended hearings have been given to it. But the proponents of the bill have never been able to get it out of the committee into the

House. So those that are fathering the metric system, finding they cannot get anywhere with the Britton Bill, have introduced the Tillson Bill, which will place in the hands of the Bureau of Standards autocratic power. It would permit that bureau to substitute piecemeal, one or two weights at a time, instead of doing as the Britton Bill would do, change it all at one stroke.

Mr. Bullock, of the Institute of Weights and Measures, waited here two days for an opportunity to appear before the convention, but on account of the entertainment we could not give him the time, and last evening he had to go to Providence, and asked me to make this statement. He left his address. He would like this convention before it adjourns to pass a resolution in opposition to the Tillson and Britton Bills. I take it you grain men, operating under the present system of weights and measures do not want the expense that goes with destroying your present system and all your weights, by changing to the metric system. The Resolutions Committee I understand will bring in a resolution on this subject.

(Vice-president MacDonald assumes chair).

Mr. MacDonald: An address which we are all interested in will now be given by Mr. Suits, president of the American Feed Manufacturers Association, and also vice-president of the Quaker Oats Company. Mr. Suits hasn't told me which position he regards as the more important, but perhaps will let us into the secret.

ADDRESS OF W. E. SUITS

IN CONSIDERING how to direct my remarks, it seemed to me that I could appropriately divide the membership of this association and the convention into three groups. First, the operators on the grain exchanges and exporters of grain; second, the owners and operators of country elevators in the Mid-West; and third, the grain and feed dealers in the territory east of the Pittsburgh-Buffalo line.

My message to the first group is exceedingly brief, and it is that of the customer rather than from any other angle. I feel confident that the membership of the American Feed Manufacturers Association which produces from 5 to 10 million tons of feedingstuffs per year, grouped together, is probably the largest single group of customers for grain which you gentlemen have today.

There are places where you and we become competitors, and I can only suggest on those occasions where we have succeeded in diverting some of the business on grains to ground mixed feeds, that you will please bear in mind we are probably selling some of the goods we have bought from your group, together with the service which we are best equipped to render to the public.

To the second division, the Mid-West country elevators, I have a more definite message. A great of you already handle feeds and fertilizers in conjunction with your grain business, and if any of you here are not doing so, I will urge strongly that you make the start as soon as you can equip yourselves to do so.

There has been a pronounced swing in this direction among the country elevators of Ohio, Indiana, Illinois and states west of the Mississippi River within the last couple of years. Do not be diverted from this course because you are in a grain exporting state, or grain surplus section of the state, because all over the corn belt, the farmers have almost unanimously changed from 100 per cent grain farming to mixed agriculture. When I think of this problem, my mind naturally turns to the state where my boyhood was spent—beautiful, bountiful, opulent State of Iowa, some of whose people consider their state the response to the petition, "Give us this day our daily bread." Some also think the national anthem should begin with "Ioway, Ioway, there's where the tall corn grows."

Iowa, this year, raised nearly half a billion bushels of corn, about 225,000,000 bushels of oats, and a very large supply of other grains and feed stuffs.

A casual observer would consider that this is no place for the sale of feeds, though it might be an ideal location for the production and manufacture of feeds to be used in other states, but this agricultural empire of Iowa is annually raising and feeding from 10 to 14 million hogs, is the third state in the Union in milch cows, numbering about 1,555,000 over one year of age, approximately 2,500,000 of other types of cattle, and over 30,000,000 of poultry. As a matter of fact, a letter by Secretary of Agriculture Thornburg of Iowa, to one of my associates, gave the very interesting information that in 1927 that state consumed approximately 500,000 tons of commercial feeds and fertilizers.

There is an enormous and a constantly growing

opportunity for the elevator man of the midwestern states to merchandise feeding stuffs and fertilizers. In the smaller towns, he is the natural distributor. Most of the intelligent farmers these days are, not only keeping hogs, cattle and poultry to consume their home grown crops, but their education has shown them that to get the best results from feeding these crops, it is essential that they have concentrates in great quantities as supplemental feeds.

A statement made in my hearing recently by John Thompson, editor of the *Iowa Homestead*, one of the leading agricultural papers in the West, was very enlightening. He said: "We agricultural editors and the agricultural colleges, extension workers, etc., have labored for years to induce our farmers to feed better balanced rations, but it is a slow, tedious process of education. They frequently become convinced, but do not follow their teachings. The manufacturer of balanced rations, however, in his constructive promotional work, calls on these farmers and sells the balanced rations, thereby accomplishing more in securing desired results than both of the other two educational forces mentioned." What a wonderful opportunity the country elevator man has when buying grain from the farmer to sell him a supply of balanced rations or supplemental feeds to be taken home in the empty truck. An exchange of this kind is without financial risk, and if the farmer is sold something which produces good results, this elevator man will have a still better hold on both the farmer's incoming and outgoing business.

When I received the invitation to appear be-



W. E. SUITS

fore you today, my acceptance was decided by two reasons. First, I wished to show you and your managing committee my appreciation of the compliment; and, second, I was told that there would probably be present in the neighborhood of 1,000 of the eastern grain and feed dealers—at least preparations were being made for such an attendance. I felt that this would be an unequalled opportunity to meet and greet a large number of eastern friends whom I knew in the past, and have for many years been patrons of my own company and the others who belong to the American Feed Manufacturers Association.

I spent about four years here and enjoyed a continuous contact with the New England trade. I learned to love and appreciate the sturdy qualities of these descendants of the Pilgrim fathers, their inspiring ideals and their soul stirring history. The charm of your sleepy white villages, your fragrant vales, your green clad hills and surf-washed coast made an enduring picture of beauty and loveliness in my memory that has called me back glad and unresisting during my recent summer vacations.

To this eastern group of members of the Grain Dealers Association, allied local associations and visitors, I wish to extend the heartiest greetings from the feed manufacturers of the country who have elected me as their president for three consecutive terms. You dealers located east of Chicago are our principal customers and, without your support, we, as a feed manufacturing industry, must either pass out of existence, or discover some other method of distributing our products. We know of your problems—they are constantly

under discussion in our councils—we glow in your prosperity, and we droop in your adversity.

Within the past 10 years there has been one marked development in the eastern feed distribution, which has had a distinct influence on the prosperity of some of the feed manufacturers, as well as yourselves, which, I think is most appropriately referred to as the direct buying by the farmers and groups of farmers without the services of the local feed dealers. A tremendous impetus to this character of buying of feed, accompanied the organization of two or more cooperative feed manufacturing institutions operating largely east of Buffalo, throughout New York, New England, New Jersey and to some extent Pennsylvania. The first of these institutions started originally with the idea of selling the component parts of balanced rations to the farmers, for delivery from the car. After a brief attempt of this kind, they found that the competition was so severe from existing agencies, that they could not survive, in spite of the fact their sales were greatly assisted by the efforts of the agricultural colleges, their extension men, county agents, etc., who received their pay from the state and the United States.

Now, I will say that I consider the general work of our agricultural colleges and their staffs of educators who work out among the farmers, also the farm bureau agents, as being one of the most enlightened and progressive agencies that has yet been invented, not even second to the press, in carrying to the individual farmers, the benefits of modern research and acquired knowledge of the things which make their farms more productive, their efforts more profitable and their lives more pleasant.

This work has been of inestimable benefit to you and to us, as well as to the individual farmers themselves, because if the farmers do not thrive, then you and we look in vain for prosperity in our business.

Neither can we assume that the farmers or any other group, are doing wrong in co-operating. If they wish to co-operate, there is nothing which can be said against it—that is their right. The only question is, whether or not they, as successfully, can do what you and we are doing. It is my belief that they cannot offer the service as well, or as economically, as the older agencies of manufacturers and individual feed dealers. The manufacturers have had long experience in this business of producing commercial mixed feeds. My own association with this business began about the time it became a thing of national interest, something like 35 years ago. In those earlier days the object was not so much to induce the farmers to use a balanced ration, as it was to show them the benefits of grinding their grains before they were fed. Likewise to show them the advantages of many of the by-products which were either wasted, or could be obtained at considerably less than their real value. After this process of education, came the matter of mixing feeds into more or less well balanced rations, and selling them ready mixed to the farmers. This business was developed by us manufacturers and you dealers without much assistance from the colleges or the press—in fact it was largely developed in spite of their opposition, but we have accomplished a certain large public benefit in our efforts along this line up-to-date, until finally both the agricultural press and the agricultural colleges are showing a more favorable attitude towards the commercial mixed feeds made by the better class of mixed feed manufacturers. It is not out of place to say that this improved confidence is more warranted today than it was a decade ago.

The feed manufacturers have become better students of the feeding problem. They do not make a feed which simply looks good, simply to sell. They have large investments in their business, and to quote a prominent leader in poultry husbandry education at one of the biggest universities in the country, "they have got to make good feeds, they have got to maintain their prestige and improve it constantly, or their field is lost to them."

These larger feed manufacturers today employ outstanding professors and research men from the agricultural colleges, as well as many of their graduates, and some of them maintain research farms, where feeding problems are thoroughly worked out and improved rations developed. The company with which I am associated, has one farm in which to handle poultry problems, directed by a former professor of Cornell Agricultural College. The poultry farm keeps from 1,500 to 2,000 laying hens at work solving poultry feed problems all the time, besides hatching and raising thousands of young birds to demonstrate growth and development feeding formulas. The company also owns and operates another farm of

over 200 acres which is under the direct charge of the Wisconsin Agricultural College, where feeding tests running over a period of years will show officially the relative value of the feeds made by the company. We employ two former agricultural college professors to assist in the management of the plant but who are under the college direction in all the experiment work. This station represents a company investment of nearly a quarter of a million dollars and is costing the owners about \$40,000 per year. The stock used on this farm includes a herd of about 100 high grade dairy cows, 100 beef animals, a couple of hundred pigs, with an appropriate number of horses, sheep, dry cows and calves.

Other feed manufacturing institutions have comparable institutions. They realize that they must not only think their feeds are right, but be able to prove that fact unquestionably.

This is the manufacturers' answer to the co-operative feeds, the co-operative buying and the home mixing recommended by the educational institutions and the press. Progress is our motto and decisive accomplishment is our aim.

The superior value of a scientific commercial poultry mash was forcibly brought out in the editorial columns of the September issue of the *American Poultry Journal*, a magazine that stands in the fore of those that have contributed to the advancement of poultry science. This illuminating editorial was based on a personal study by its editor, Frank L. Platt, of an experiment in feeding made on a prominent poultry farm in northern Illinois. Time will not permit me to present the editorial in full, so I shall give you only a summary.

Four pens of Leghorn pullets of the same breeding, age, and quality were selected for the experiment, which commenced last fall. They were kept in the same house and received the same care.

Two pens were fed on a mash mixture composed of equal parts of cornmeal, ground oats, wheat bran, wheat middlings, and meat scraps, which is the standard formula recommended by agricultural colleges and adopted generally by the co-operatives, the batch mixers, and those who still hold to the mistaken idea that home mixing pays.

The other two pens were fed on a popular mash made by a prominent company that has always devoted its great resources in brains and money to the manufacturing and merchandising of feeds that would bring the fullest possible measure of service to those who fed them.

The cost of the commercial mash was more than \$15 per ton higher than the cost of the home mixed mash.

Both mashes were fed similarly in open hoppers, so that the birds could eat all they wanted.

The scratch or grain ration, the oyster shell and grit, were the same in both cases.

The following facts were established:

The birds in both groups ate the same amount of scratch grains.

The layers receiving the home mixed mash ate an average of 38½ pounds per year, compared to a little less than 36 pounds for those fed on the commercial mash, a saving in favor of the commercial mash of 2½ pounds per hen per year, or 7 per cent in mash consumed. This reduced the difference in the price of the two mashes \$5 per ton.

The commercial mash fed birds produced 1½ to 2 more eggs per hen per month, or 18 to 20 eggs per year, which at 36 cents per dozen showed an extra net profit of 42 cents per hen, or \$420 on a flock of 1,000 layers.

The home mixed mash fed birds averaged about ¼ pound less per bird when actually weighed on the scales; they had less red in their combs, and accordingly were more anemic, with less anti-anemic qualities in their eggs from a human food standpoint; there were more blood-clot eggs; the eggs were smaller; the shells were rougher and much more easily broken; their keel bones were crooked, showing a deficiency in mineral nutrition; they had less vitality and this flock showed greater mortality.

Mr. Platt concluded his editorial with the following sentence:

"After seeing the results of this test, we are impressed more than ever before with the importance of the mash feed and the value of a *good mash feed*."

What have the eastern feed dealers done to meet this new competitor, because, shorn of all unessentials, that is all the co-operative means to you. I know that some feed dealers, in some sections, seem to have met the situation and are coming through prosperously, which leads me to wonder why it is not more generally true. I am fearful that I cannot offer a suggestion under these cir-

cumstances to a dealer of small initiative and imperfect resources.

I call to mind what is probably the first fable I ever read—The Lark and the Farmer. The lark was rearing her little family in a wheat field. The little larks were somewhat tardy in arrival and the mother lark was made apprehensive of the ripening of the grain, as it still was several days before the baby larks would be able to fly. One morning one of the little larks came running to the mother and said: "Oh, Mother, I just heard Farmer Brown tell his son, 'Bob, this wheat is about ripe and must be cut. Go tell neighbor Robinson, neighbor Jones and neighbor Smith that we will be ready to cut the wheat tomorrow, and ask them to please come over and help in the harvesting, the same as I helped them.'" Mother lark said: "Never mind, my child, I think we will have a few more days." A couple of days later, during which nothing had occurred, one of the little larks said: "Oh, Mother, I heard Farmer Brown say to his son just now: 'Bob, those neighbors of ours are false alarms. You get your horse and go over and tell Brother Jim, Uncle Joe and Brother-in-law John that I expect them to be over tomorrow morning, bringing their sickles, to help us cut this grain.'" Again the Mother Lark said: "Be calm, my child, we will stay a little longer." Finally, a couple of mornings later, she heard the farmer say to his son: "Bob, you and I will get the sickles sharpened tonight. This wheat has got to be cut, and you and I are going to start cutting it tomorrow morning." Immediately the lark gathered her little flock, which, in the meantime, had become strong enough to fly, and away they flew.

The moral of this fable was not appreciated by



W. C. DEWEY, BLANCHESTER, OHIO; J. H. OWENS, DES MOINES, IOWA; AND C. C. DAVIS, BINGHAMTON, NEW YORK, ON DECK OF "S-19"

me until many years after, as I was rather in the squab age myself when first I read it, but it certainly does contain a lesson which we men of experience know is the truth. Its application in this case, as I see it, the true application, is the fact that you cannot depend upon any association, manufacturers, retailers, grain dealers or others to save the situation in your case. Outside help will not go deeply enough into the problem—it cannot—because outside help is not, and cannot be, permanent. You alone are the fixture in the individual market where the problem is necessarily to be met by you.

A stranger, strolling along the sidewalks of New York was accosted by a big, husky chap, who said, "Mister, I haven't had anything to eat for two days—give me a dollar for a supper." The stranger looked at him and replied, "Well, sir, if you have had nothing to eat for two days you certainly are in need of some relief, but don't you think that you would have a better chance of getting it if you adopted a little different tone and appealed for a more moderate sum?" The fellow replied, "See here, mister, of course it is up to you whether or not you give me the dollar, but I want you to know that you can't tell me how to run my business."

Now I did not come down here to tell any of you how to run your business. I believe there are half a dozen or more good sized retail feed stores under my general directions, but my contact is not close to them, and the following suggestions I may volunteer are simply based on my long experience and general theory of buying and selling grain and grain products.

First—Service. If a man is going to build or maintain a business in a community he *must* render a service—a real and adequate service. No community *owes* a feed merchant, or any one else, a living. No matter who the business man is he

must day by day prove his right to his place as a business man by service. Business is public service; and the extent of that business and the profits from it are properly considered to be the measure of that service.

Whether it is grain or feed the products sold must serve the consumer—must meet his needs—and must meet them economically so that the feeder can pay for his feed and have a margin of profit—otherwise he cannot use or continue to use those products.

Second—In order to serve, the merchant *must know the needs* of his clientele. The grain dealer or feed merchant *must know his community*—its consumption possibilities; what it produces; what it must have to supplement the existing home production.

The dealer *must know good cows, good poultry, and he must know right practices in feeding*. He must be able to advise his buyers what to buy—because he has an interest in the buyers' success, since he often has to wait for settlement for feeds purchased, long after they have gone through the livestock.

He is interested in the farmer having good cows and good poultry because poor cows or poor fowl can never pay their way or pay for feed consumed.

Therefore the dealer necessarily is vitally interested in building up the quality of his trade. He is interested in all educational work and must be a leader himself and should align himself with all educational work. He should fully support the county agricultural agent, work closely with him, and should help shape his policies and help in their execution.

Third—Changed conditions, the universality of good, hard roads and of the telephone, the educational influence of the radio and the keenly competitive situation in all business has made it imperative that every feed merchant make a distinct effort to build and hold business. Business does not of its own free will roll up to a man's door. Feed purchases are determined on the farm itself. The feed dealer must sell his service to the farmer on the farm as well as in the store.

Fourth—The biggest thing which every merchant has to merchandise is himself; his interest in his customers; his knowledge of their business which is also his business; his interest in their welfare and the community's welfare; his character and personality.

Fifth—And the next biggest thing he has to market is the product which he carries—its dependability; its quality; its adaptation to consumers' needs. The sincerity, reputation and idealism of the manufacturer who makes the goods which he sells largely determine the character and volume of the business.

Sixth—Beyond this is the necessary recognition that what was grain merchandising is rapidly becoming feed merchandising.

The larger manufacturers of commercial mixed feeds have quite generally adopted the practice of putting out a complete line of feeds for all purposes, instead of featuring a single product, as they did in the earlier days. A retail dealer will do well to adopt one of these lines and make it his personal business to popularize and sell them. In this he can secure a great deal of assistance from the manufacturer, who is doing extensive advertising, and supplementing it with other types of promotional work.

Such a line can readily be made a big asset to the feed dealer and he will recognize that it is a weakness to keep constantly changing from one line to another for a matter of slight difference in price, which may easily be reflected in a difference in production. Having built up a trade on a certain line of feeds, when the dealer changes he has to tear down the work which he has done in the past and build up anew. This is expensive and doubtless weakens the confidence of the feed buyers in the dealer's sincerity.

Two friends met and one remarked, "Parson, I notice you said in your sermon today, every character contains some admirable trait. How about the devil?" "Well," responded the other, "I always did admire his perseverance."

It seems to me that the devilish perseverance of these cooperatives is at least one of the things which we can imitate with much benefit to our business. They, seemingly, are following up the main idea all of the time and getting their friends to assist them in every possible way. You feed dealers are paying part of the taxes which are supporting the agricultural schools, extension workers and others who are constantly interviewing the farmers. What a wonderful thing it would be, and doubtless is in many cases, if the county agent was thoroughly posted regarding the feed materials and other things you have in stock or expect to arrive within a few days; would know what they cost and on what extremely narrow margin you are willing to sell them; would, likewise, be

informed regarding the superior quality of the various items. You would not expect him to act as a salesman—certainly not; but at the same time if you would take the trouble to see that he was friendly and well posted, he would surely be beneficial. If I were running a feed store in a country town, I think I would have a desk and a chair which the county agent or other extension worker could consider his own when in that section. I would invite him to make it his headquarters. I would make it a point to show him the stocks and be absolutely frank regarding the feature of my profits so that he would know that there is no basis to the thought that some of the farmers have that this feed dealer charges exorbitant prices. I would show him the service which I am prepared to give and figure out for him that where I carry a carload of stock, to be delivered a ton or two at a time to the individual farmers, I am saving them a considerable expense from loss, due to deterioration and interest charges; that I can do this much cheaper than the individual farmer can, because I should be able to turn over my stock in only a fraction of the time the farmer does when he buys in large quantities from the car door. On the other hand, I would, and doubtless many of you do, offer goods at a quantity price, to be delivered on arrival of cars, for cash.

Knowing a farmer from meeting him occasionally in the store is a different proposition if it is supplemented by actual, occasional visits to his own place. Going out to the farm, looking over his stock and discussing his problems with the farmer, is the real way of getting him to unburden his ingrowing grievances and earn his confidence. It seems to me that the dealer who does not make it a point to run around in person and call on his actual and potential customers is missing his biggest opportunity.

Of course, the objection to this suggestion is that the dealer has not the time. Well, I am one of the people who thinks that a local feed dealer is a busy man—but is it not a fact that a very large part of that time is consumed in juggling bags of feed or posting up accounts which a husky grammar school boy could do just as well after being instructed? Remember that salesmanship is the key to one of the principal doors to success in any kind of modern business. Maybe you think it is possible to hire a bright young man who can sell better than you, but I want to assure you that every buyer wishes, if possible, to deal direct with the boss; wants his ideas, his advice, and they outweigh that of any hired man you can put on that work.

Do you belong to the farmers' clubs, granges, farm bureaus—whatever they call them? I understand their rules permit it. What a corking good thing it would be if you took an interest in the things they discuss at their meetings and helped to guide their thoughts and conclusions. Your business experience and knowledge of markets should be very helpful to them and beneficial to you especially if you and the county agent went over the situation together before the meeting. Besides, you would get some good ideas yourself.

Here is another thought: Mutualize your business and let the customer profit in proportion to his purchases. Or take some of the key farmers into partnership.

I understand that the co-operatives very frequently pull off rallies at the school house or some other convenient place. They have some good talks; get together, weep over their wounds, and have a good time generally. Did you ever have a rally of your customers?

About 20 years ago a wire-haired cub graduate from the Minnesota Agricultural College dropped in our office and wanted a job selling feed and flour—he got it, and he has developed into the best feed salesman I ever heard of. Everybody in his great big territory calls him by his first name or his nickname, "The Swede." He and the governor of the state greet each other in just the same way. Some time ago this salesman conceived the idea of inviting all of his customers and their friends to have a chicken dinner with him on a farm adjacent to his home town. This became a regular annual feature and these feed dealers, big important men in their home towns, drive as much as 180 miles each way to attend these meetings. An interesting speaker or two from the nearby agricultural college, and others with interesting messages, help out in the entertainment of the party. I have attended a couple of them, and I want to say that the getting together in this way of practically 100 per cent of this salesman's customers and the spirit developed is one of the most remarkable revelations of loyal interest I have seen in many years.

This is another experience in the co-operatives' methods which could well be copied by the feed dealer, and I know that he can get some mighty

fine assistance from some of the educators and public speakers. I have the further feeling that a little get-together meeting of this kind, sponsored by the local feed dealer, will be very generously and gladly attended by the invited farmers.

These are simply a few suggestions of ways and means of getting better acquainted with the people you want to do business with. You must know many better ways of teaching them to know you well and earn their confidence and loyal support.

Times have changed, as they have insisted on doing ever since the creation, and the man who doesn't adapt himself and his business to meet those changes usually gets lost in the shuffle. I used to have a friend named Gossard. Mr. Gossard, I believe, had about the biggest business at that time existing in the manufacture of corsets. Well, I suppose a good many of you men know that some years ago there was some very radical progress made in the apparel of the ladies and it looked as though friend Gossard was going broke. Did he? He did not! But he did make some modifications in his line of product which met the situation in such a way that the last time I heard about his common stock it was selling way up.

You remember the Studebaker wagons and carriages used to bump along in every rut in the roads in the country, and along about 25 years ago something happened to the wagon business—buggies lost their vogue. Did the Studebaker business drop out of sight? Not on your life! About this time one of the most popular, low-priced automobiles on the market was that early beginner, the E. M. F. car. They bought it and changed it to the Studebaker. They still make wagons for anybody who wants them, but the plant down at South Bend, Ind., which a quarter of a century ago was pointed to with pride as one of the biggest things of its kind in the world, is not much too big to take care of the office staff of the present business.

The feed business has changed too, but there is more feed needed today than ever before and you feed dealers are the people trained and best equipped to attend to its distribution, and I think the co-operatives have shown all of us some of the ways of holding and increasing the individual distributor's business and profits.

Many thousands of retail feed stores are in existence throughout the country. A large percentage of either the present dealers or their fathers, were ex-farmers who knew and met the needs of their localities. By establishing small depots where their neighbors could get grain and feed when needed, they thereby assisted greatly in developing the neighboring business of live stock, dairy, and poultry farming. Some of them by careful attention to business became fairly prosperous, but they only prospered as their customers prospered. It is safe to say that in all cases their self-interest was best served when their customers secured feeds at moderate prices and with good production qualities. As a rule, these feed dealers rarely accumulate more than a modest showing for their life's labor and investment. Usually their old neighbors who stuck to farming prospered more than they did.

Unfortunately, as a result of this direct buying for several years many of these retail feed dealers have lost a great deal of their volume of business. The well-to-do farmers are taking advantage of this car door delivery opportunity and the less well-to-do farmers still depend upon the dealer. With the shrinkage of his volume in business the dealer's expense per ton have increased and the last mentioned class of farmers are compelled to pay higher prices for their feeds than they would be doing under normal conditions.

I will say right here that any economic movement which drives the retail feed dealer out of business, or, which weakens him financially so that he cannot keep a well-rounded stock of feeds and trust it out to the surrounding farmers from month to month, is going to seriously hurt that district.

The feed dealer was developed by necessity and as a business proposition he is not going to quit—he will not be eliminated—he cannot be spared.

The President: Mr. Watkins of the Committee on Resolutions will now present the committee's report.

REPORT OF RESOLUTIONS COMMITTEE

Agricultural Relief

THE platforms of both political parties and the public utterances of their spokesmen in the present presidential campaign indicate an intention to set up certain further governmental machinery for farm aid.

The Grain Dealers National Association reaffirms its profound interest in agricultural relief by sound economic processes. Holding, as

we do, the conviction that subsidy and special privilege is not the road to a permanent solution of the problems of agriculture, we herewith reaffirm our position taken in convention one year ago.

We favor a national agricultural policy which will include:

1. Lower rail rates on feed grains and grasses, which are largely consumed by farms in widely separated domestic localities, even if such concessions must be made up by higher rail rates on other merchandise and commodities.

2. Rapid commercial development of inland waterways and approaches to ocean trade routes.

3. Adequate tariff protection on farm products which are, or might be, produced in the United States in sufficient quantities to supply the domestic market, but which must now compete with foreign products or substitutes for such products coming in over the tariff wall.

4. Rejection of proposals for reclamation and irrigation projects which would bring under cultivation additional farm acreage before the prospective products of such areas are needed for domestic consumption.

5. Development and utilization of water powers for the production of commercial fertilizers so much needed on our farms.

6. Closer co-operation between national Government and the agricultural colleges in encouragement of use of crops and varieties of seed best suited to lands to be cultivated, to the end that production of good quality crops may be more certain and the producers' income more stable in consequence.

Whereas, the Chamber of Commerce of the United States of America have in accordance with their by-laws submitted a referendum entitled: "Referendum No. 52. On the Report of the Special Committee on Agriculture", to a vote of its membership; and

Whereas, under the terms of said referendum the members of the Chamber of Commerce of the United States of America are requested to vote to approve or disapprove, as a part of the program for the relief of agriculture, the following:

"The committee recommends that co-operative marketing of agricultural products should be supported, and that producers of agricultural commodities should be encouraged to form co-operative marketing associations along sound economic lines";

Whereas, the Chamber of Commerce of the United States of America, the Grain Dealers National Association and other trade organizations, both members and non-members of the Chamber of Commerce of the United States of America, are essentially, and in the very nature of things must be, organizations of middlemen, of merchants and manufacturers who justify their existence as a part of the body economic by their expert knowledge of the problems of manufacturing, marketing and distribution, and by the application of that expert knowledge and as a result of generations of experience, do create added values for producers and effect reduced costs to consumers; and

Whereas, under our free American institutions every producer or organization of producers has the opportunity and the right to engage in the business of manufacturing or merchandising their products, or the goods they consume, either by co-operative or other legal methods; and

Whereas, if such co-operative system of marketing is economically sound, it will, if allowed to follow the course of natural development, demonstrate its efficiency and become an integral part of our economic system, and agricultural commodities will be merchandised more economically by co-operative marketing methods, and an economic saving result therefrom, then that system should be applied to the marketing and manufacturing of all other commodities, and the co-operative system should and will supplant our present marketing and manufacturing system: Therefore, be it resolved by the Grain Dealers National Association in convention assembled:

First, that we believe the system of co-operative marketing should be allowed free opportunity to demonstrate its efficiency in competition with established methods, but without Government aid that would give it undue and unfair advantages.

Second, that we believe our present business institutions are efficient and economic, we believe they are developing and have developed as a result of the initiative of American business functioning under our free American institutions.

Third, we believe it to be inconsistent for the Chamber of Commerce of the United States of America to submit to a vote of its membership an endorsement of co-operative marketing, because an affirmative vote would be an admission by American business that our existing institu-

tions are inefficient and obsolete and should be supplanted by socialism, and be it further Resolved that the secretary of this association be instructed to submit a copy of these resolutions to the Chamber of Commerce of the United States of America and to each of its directors.

Government and Business

Our form of government encourages and fosters the largest expression of individual initiative which can be maintained without infringement upon the rights of others, with ample provision within our basic law to effect changes as may be required, from time to time, to safeguard our people.

It is therefore essential that Government refrain from entering any fields of commercial activity which can be successfully covered in the public interest by private enterprise. We therefore deprecate the present tendency toward bureaucracy and the steady encroachment of government in many fields of business endeavors, and urge its withdrawal from such fields wherever practicable.

Arbitration Association

We, the members of the Grain Dealers National Association, pioneers in voluntary arbitration of trade differences, heartily commend the splendid work of the American Arbitration Association, which organization is endeavoring to do for the general business of the country what our association for the past quarter of a century has done for the grain trade.

Taxation

The subject of taxation has ever been a matter of great interest and of vital importance to the American people, and while we recognize the relief already accorded to the taxpayers of this country through previous reduction in rates, we would respectfully urge the incoming Congress to make such further constructive modifications of our Federal Revenue Law that will give to our people the greatest relief possible without seriously menacing our governmental financial structure.

At this time we view with great concern the growing tendency on the part of our state and municipal authorities to burden its citizens with an ever increasing load of bonded indebtedness, and we herewith suggest a conservative policy on the part of such officials and the practice of strictest economy in the development of their respective constructive programs.

Strong Bill

There is now pending in the House of Representatives at Washington, D. C. a certain bill, known as the Strong Bill, H.R. 13153, which is designed to protect the owners and holders of drafts with bills of lading attached, in the event of the failure of the collecting bank before remittances have been fully made for such collections. This is of vital importance and will greatly tend to stabilize the business necessarily conducted through the national banks of the country.

Therefore we, The Grain Dealers National Association in convention assembled at Boston, Mass., on September 26, 1928, urgently request the senators and representatives in Congress to support said bill, and insist upon its passage at the earliest possible moment; and that the secretary of this association be directed to send a copy of this resolution to each of the members of Congress and the chairmen of the Banking and Currency Committees of the Senate and House of Representatives.

Transportation

The report of the Transportation Committee covers the subject of weight tolerance which some carriers rule must be allowed on shipments of bulk grain before adjusting freight charges on basis of out-turn weights, which ruling is contrary to custom and law, and is a discrimination.

The report on bills of lading issued by the Pennsylvania Railroad showing that they insert the words "Shippers Load and Count" in bills of lading covering shipments of bulk grain, which practice should be discontinued, and the Transportation Committee be instructed to endeavor to have these rules and practices corrected.

Tax on Grain

We again record our disapproval of a tax on grain transactions, originally imposed as a war measure, which tax is laid on the necessities of life, and is thus contrary to public policy and not justifiable in times of peace. We urge that our officers, committees and individual members continue to use every legitimate and honorable means, in co-operation with other interested organizations, to secure the elimination of this tax.

The Tillson Bill

In harmony with previous action of this body opposing the adoption of the Metric System of Weights and Measures, we here record our op-

position to the Tillson Bill now before Congress, and all other similar measures which thus seek to foist the Metric System on the commerce of the United States piecemeal and by indirection, and we desire to commend the efforts of the American Institute of Weights and Measures in defending the integrity of our customary units and standards of weight and measure.

Federal Inspection of Grain

We hereby record our opposition to the Frazier Bill, and all other measures tending to establish Federal inspection of grain, in contradistinction to the present system of Federal supervision of inspection under the Grain Standards Act.

Speakers

We extend sincere thanks to the speakers on our program for their timely and inspiring messages.

Hosts

To our hosts we extend the unanimous thanks of the members of the Grain Dealers National Association for the royal and unbounded hospitalities extended to them and their ladies in this "Cradle of American Liberty."

We are especially indebted to Rear Admiral Philip Andrews, commandant of the First Naval District, who has caused us to now possess a greater appreciation for the peace time activities of our country's glorious navy.

Our visit to this metropolis so rich in historical wealth, has contributed inexpressibly to



FRED E. WATKINS

the "joy of life." No detail for the enrichment of our happiness was overlooked by the members of this "Pioneer American Grain Market."

It is impossible for us to give adequate expression of our appreciation for the gracious manner in which Boston's charming ladies contributed to our entertainment.

(At the end of the reading of each resolution, the chairman moved its adoption. All were seconded and carried.)

The President: Is there any further business to come before the convention under the head of resolutions?

We will now have the distribution of the golf and attendance prizes. The following were announced as winners: Golf: First Gross Score, W. Howard Mitchell, Jr., Boston Exchange. First net: Ralph Gallagher. The second net, Mr. Grubka. The two sterling vases were won by Mr. Grubka.

Mr. Grubka: We were having a handicap, and they put the nets in a hat, and pulled out a number from the hat. My number was closest to the one that won the prizes. I am very grateful, because it is the only way I could ever have won a golf prize.

Mr. MacDonald: Carl Currie thought something was necessary to stimulate the attendance, and so we have the attendance prizes donated by different grain firms. The following were the winners: First, W. J. Edwards, St. Louis; second, Mr. Grubka; third, Walter M. Moore, Covington Grain Company, Covington, Ind.; fourth, Philip

Smith, Massachusetts Experiment Station; fifth, Mr. Larsen, chief inspector, Sioux City; sixth, Mr. Beardsley, St. Louis, Mo.; seventh, E. B. Rader; eighth, Mr. Hall, Nashville, Tenn; ninth, F. C. Brown, Barton, Vt.; tenth, Lynn Townsend, Springfield, Mass.; eleventh, Mr. McNamara, Orleans, Vt.

The President: We will next have the report of the Auditing Committee, Mr. Baldwin.

REPORT OF AUDITING COMMITTEE

The accounts of the association for the convention year, 1927-1928 have been audited by Ernst & Ernst, public certified accountants. We examined their report and find it to be correct with the books of the association and the statement submitted by the secretary.

We find all transactions of the association are properly and carefully recorded and we commend the secretary and his assistant for the excellent manner of keeping the records of the association.

The President: We will now have the report of the Nominations Committee, Mr. Horner, chairman.

Mr. Horner: Before presenting the report I would like to make a few remarks about our president. He has long been in the service of this association, and I say that without any reflection as to his age. He started in the ranks, served on the Trade Rules Committee, served on our Arbitration Committees, and probably no man in our association has left a more distinct impression upon the forms and interpretation of our trade rules than he. He has been a director of the association and has held executive offices. In all this time he has always given of his labor and his ability without stint. He is one of the few men you find in every organization willing to work for the good of the Association without hope of reward. Rewards have come, but they have been accepted modestly at all times, and have never interfered with his work. He has now been our president for two years, and we have never had a more successful administration than he has given us. We have a little gift here to offer him, and we want it distinctly understood that it is not a matter of compensation; it would be presumptuous on our part to offer him compensation for the work he has done for us through these years, but we offer it as a token of the love and affection we bear him. We hope he will always cherish it as a remembrance of our affection for him. (Gift consists of silver bowl and stand).

The President: If I should really attempt to say what is in my heart, I would become morbid. Whatever I have done for the association has been a work of love. I like this kind of work, like to preside, like to work on trade rules. The work itself carries its own reward. But this beautiful gift will be treasured I think more than any material thing I could possibly own, and I am sure it will be cherished not alone by myself, but by my children, as a memento of this occasion and of my association with this organization. And I hope when I give up the gavel, I will not give up active work for the association, because I want to keep right on doing my bit to the best of my ability. I want to thank you all, and particularly Mr. Horner for his very kind words.

REPORT OF NOMINATIONS COMMITTEE

FOR president, A. S. MacDonald, Boston; first vice-president, S. P. Mason, Sioux City, Iowa; second vice-president, George E. Booth, Chicago, Ill. Directors for term of two years:

F. E. Watkins, Cleveland, Ohio (representing Ohio Grain Dealers Association); Mark Steele, Buffalo, N. Y. (representing the Buffalo market); H. W. Reimann, Shelbyville, Ind. (representing Indiana Grain Dealers Association); W. B. Johnson, Enid, Okla. (representing Oklahoma Grain Dealers Association); W. W. Manning, Fort Worth, Texas (representing Texas Grain Dealers Association); John A. Reynolds, Albany, N. Y. (representing Eastern Federation of Feed Merchants); W. G. Cook, Fort Collins, Colo. (representing inter-mountain territory); L. W. Forbell, New York City (representing the New York market); H. R. Wilbur, Jamestown, N. Y. (representing Mutual Millers and Feed Dealers Association); John H. Caldwell, St. Louis, Mo. (representing U. S. Feed Distributors Association); Bert T. Dow, Davenport, Iowa (representing Western Grain Dealers Association); R. W. Hale, Nashville, Tenn. (representing Nashville market); John S. Green, Louisville, Ky. (representing the southeastern territory); C. C. Isely, Dodge City, Kan. (representing the Kansas Grain Dealers Association); A. C. Koch, Breese, Ill. (rep-

representing Illinois Grain Dealers Association). Directors for term of one year: F. A. Theis, Kansas City, Mo. (representing the Kansas City market); L. E. Osmer, Lansing, Mich. (representing Michigan Grain, Feed and Hay Dealers Association); J. A. Sturges, East Hampton, Mass. (representing the New England market); Howard Lipsey, Chicago, Ill. (representing the Chicago market).

The President: If there are no objections, the report will be placed on file and we will proceed with the nominations.

Mr. Horner: I place in nomination for the office of president, Mr. MacDonald.

Mr. Flanley: I move the nomination be closed, and that the secretary be instructed to cast the ballot of the association for Mr. MacDonald. (Seconded and carried.)

(Mr. MacDonald receives gavel and assumes chair.)

Mr. Baldwin: I move, if there is no objection, that the entire list named by the committee be considered in nomination, and that the secretary be instructed to cast the entire ballot of the association for those named for the respective offices.

(Seconded and carried.)

President MacDonald: I accept this position with mingled emotions. It is peculiarly embarrassing or touching that this honor should come in my own home town. Scripture has been quoted here, and this seems a contradiction of that part of it which says a prophet is without honor in his own country. I have much pride, however, in the thought that this national association should choose its president from New England. It is an honor for New England. I have much of humility in accepting this position, for I do not feel adequately fitted for it. I remember two years ago Mr. Sturtevant telling of the humility he felt in trying to fill Fred Horner's shoes. My humility comes from no such emotion, because modesty was never a part of my make-up. But I must have a lot of help. The success or failure of any business or executive officer depends upon his ability to get others to do his work. And I shall need the work and assistance of every one of you. If you are appointed on a committee, accept, and if you accept, serve. If you accept appointment on the Boosters' Committee, which seems to be the best worked out scheme to fill the ranks and get new members, do the work and write the necessary letters. I would rather have you decline to serve than to say you will do the work, and then fail us. We should have more New England members on our list, and I hope we may have. This is my only appeal to New England people. We have had at this convention a very inspiring talk by Dr. Krebs on "Constructive Optimism". It really was a sermon, and we want you all to read that and take it to heart. Let us get every one into the association we can, make it a real national association, and in talking up the association, talk up the grain business, and we can do it. I think our new vice-president, Mr. Mason, should say a word to us.

Mr. Mason: Last evening Rev. Mr. Mark said the ability to do trifles was paramount in success, and perhaps that is why this office has reached me. I have had the pleasure of doing some trifles for the organization, and it has been a great pleasure. I have enjoyed doing the trifles, and shall try to do whatever in this position is given me to do. I thank you very much for the honor of being chosen.

The President: It is also very gratifying to me to know that George Booth is the second vice-president.

Mr. Booth: It is a great pleasure to work with these good superior officers that you have elected this morning. You know the first vice-president doesn't usually have much to do or say, and I don't know where the second vice-present gets off. I will endorse the words of the president, that we must make this always a bigger and better organization. In the Chicago market I have a greater opportunity to get members and boost the association than most men have. There are more new members there to be secured, and I am going to continue to do my best the coming year. I hope all of us will go out with the idea of getting more members in, and getting the present members more interested in association work. We must back up our president. He is a regular fellow, and I know it will be a pleasure for all of us to work with him.

The President: We are all grain dealers. It doesn't make any difference whether we are manufacturers or jobbers or retailers or private warehouses, or what not. We are all affected more or less directly by the same conditions. One thing affects us all, and let us forget our individual

differences, our individual localities, and make ourselves broadminded national grain men.

Is there anything to come before us under the head of new business? If not, a motion to adjourn will be in order.

Mr. Bader: I move we adjourn. (Seconded and carried.)

BANQUET SESSION

The banquet was held Tuesday evening in the ball-room of the Statler Hotel. Albert K. Tapper, president of the Boston Grain and Flour Exchange, presided and in introducing the toastmaster, William F. Garcelon, said:

IT IS my great privilege to have been afforded the opportunity of extending to you the hospitality of the Boston Grain and Flour Exchange and the Boston Curb Exchange as joint hosts. Our only regret is that the short time you have been with us has not been long enough to give us an opportunity to show you all the important points of our city and the surrounding territory.

I want to call your attention to the fact that the Boston Grain and Flour Exchange owes its origin to the oldest grain exchange in the United States of America. In the year 1793 the first exchange was formed in Boston for the trading in grain, and continuously from that time has been in existence. It is true that as the years rolled on changes in the name and charter were



J. H. CALDWELL, ST. LOUIS, MO.
By Conning Tower on "S-19"—Boston Harbor

made to meet changing conditions, and each time marked a progressive step in our organization.

The Boston Curb Exchange has been in existence for some 25 years, and enjoys certain exemptions under the statutes of Massachusetts; in other words, being in existence 10 years prior to the enactment of the Blue Sky Law, it enjoys certain privileges under this legislation that cannot be enjoyed by any exchange in existence today.

During the past five months both of these organizations have been busy trying to whip into shape effective plans to condense into the two days the largest amount of entertainment and sight-seeing possible to be had. In other words, we have so much here in Boston to show visitors that we have tried to compress into those two days about everything we could think of. We know that your business meetings during the morning's sessions have been eminently satisfactory, and we know that far-reaching results will be felt by the grain trade throughout the country.

I want to acknowledge the wonderful co-operation we have had from the United States Navy. Admiral Hughes of Washington, upon our suggestion, allocated certain ships to Boston for the benefit of our visitors. He has tried in every way to make the convention a success from his point of view. The United States cruiser *Raleigh*, one of the latest cruisers, and practically the

last word in naval construction, was withheld from going into European service for three days, and sent specially to Boston to be at our disposal. We have also enjoyed the heartiest co-operation from Rear Admiral Philip Andrews of the Boston Navy Yard, and he has added tremendously to our program of entertaining at the naval base yesterday, at which time we visited these ships. He also extended an invitation to our members to take a trip on the submarine *S-19*. It was necessary to limit the company that could be taken to 30, and that number was taken out this afternoon and given the thrill of deep water diving as well as skimming along the surface of Boston Harbor. We feel sure that with the sight-seeing trip today that the different historical points of interest will long linger in your memory. We would like to feel that in the years to come, when you happen to hear of Boston, it will bring to your mind sights that you have seen within these last two days.

We are glad to have had you with us. We appreciate to the full the opportunity you have given us to show you this old part of America. We hope that, leaving us, you will carry to your homes many pleasant and inspiring memories. Although the convention closes with tomorrow morning's session, yet we would like to have you feel free to visit our exchange, and if there is anything we can do to assist you in further pleasure and visits, we shall be happy to do it. We suggest that New England cannot be completely covered in two days, and is worthy of a trip around through Maine, New Hampshire and the Berkshires before returning to your western homes.

There are a number of eminent gentlemen here tonight who will talk to you, and I know the president of the Grain and Flour Exchange is not expected to talk. I have learned in the past three years that his job is to try to make good. Before closing, however, I feel I should read to you these few lines about Boston:

"Where the Golden Dome on the highest hill,
Refulgent gleams. Where the sunbeams shine,
Where the River Charles with its wonder thrill
Inspires this vibrant heart of mine;
Where the deep blue sea spreads forth its arms,
And holds in fond embrace the shore;
Where a hundred islets prove their claims,
And gem-like lie at the city's door;
Where the white-winged fleets of commerce bring
Their untold wealth from the world's great marts;
Where the ocean queens at their moorings swing,
And release a throng of expectant hearts;
Where the cultured soul meets the cultured soul,
Where the heaven-born arts like pearls are prized,
Where Wisdom shows its aureole, where Liberty
is canonized;
Where the stranger breathes the air of home,
And feels the clasp of a sincere hand;
Where the gold of its heart, like the sheen of
its dome,
Shows forth with a welcome that all understand—
That's Boston."

(Charles L. H. Wagner)

Now, gentlemen, I have the privilege of presenting to you our toastmaster of the evening. I have had the opportunity and the pleasure of attending a great many meetings throughout New England, at which this gentleman has presided. In my opinion, he is without a peer. I now introduce to you William F. Garcelon, of the Arkright Club, Boston.

The Toastmaster: Mr. Chairman, gentlemen of the Grain Exchange and ladies: If this were a hay convention, I should say I had been pitchforked into this job. I knew nothing about grain when Mr. Tapper approached me. I immediately began to study a grain magazine and the first page I looked at had the story of the Feed Arbitration Committee. Its report tonight, I understand, is satisfactory. I have been out in the corridors looking at some of your literature. At a good many of the dinners nowadays we need one of those moisture testers that are advertised. But I cannot see where any man making moisture testers is going to sell anything here.

We welcome you to New England. The president of your association has told me his forbears came from Plymouth. You will remember that when the Pilgrims first landed on Plymouth Rock they fell on their knees, and then on the aborigines. Some of you who come from a distance are perhaps surprised at the New England climate. You will be more surprised if you stay here quite a while. Joseph H. Choate, at a New England dinner in New York, said if a person could live in New England for the first 21 years of his life, and build up a good constitution, he could even then be attacked with a fatal disease and live 20 years longer on his by-laws. A gentleman

sent to his old father in Maine a cask of cherry rum. A letter came back "I thank you, son, for the splendid cherries you sent, but I liked the spirit in which you sent them even better."

In looking over last night's program, I note the committee announced that at this dance there would be all sorts of surprises which were being carefully guarded from exposure. I thought that was one of the features of a dance. We have a man in Massachusetts who started to raise hogs. He paid \$10 for a hog, and fed him \$20 worth of grain. He sold him later for \$12. He said he made money on the hog, but lost money on the grain. Some of you who think we have no farming in Massachusetts will be surprised to know we have more land under glass than any other state in the union. You will realize farm land is so valuable here we do not dare leave it out over night.

It was hoped the governor of the Commonwealth of Massachusetts would be here tonight. Our governors always have some serious questions arise during their administrations. Calvin Coolidge had the police strike, Governor Fuller had the Sacco-Venzetti situation, but, thank Heaven, our governors have stood up like men and met every situation squarely and with courage.

You have had some baked beans presented to you. They are no good without pork, and pork is no good without corn, so the origin of our baked beans goes away back to your western cornfields. Our first governor of the Massachusetts Colony became such in 1620. The first governor of the Commonwealth of Massachusetts under the Constitution was elected in 1780. After many years of governmental supervision, inadequate perhaps, this Commonwealth adopted the plan of having a Commission on Finance, a commission which would study the purchases of the state. That official is one of the chief economic officials of the Commonwealth of Massachusetts. The Governor has sent the commissioner here tonight to represent him. The commissioner was formerly a representative in the House, later a state senator, and he is a man whom we all know and respect. I take great pleasure in introducing the representative of the Governor, the Hon. Charles P. Howard.

ADDRESS OF HON. CHARLES P. HOWARD

THE first time I ever saw the present toastmaster was when I had just finished a mile run as a freshman at the university across the Charles River, which at one time had very good football teams and which we think is going to have a corker this fall, and he was kind enough, as coach of the team, to come over and say a few words of encouragement to me at that time. I never forgot them. And when I went into politics he gave me a little advice and assistance, so if any of you do not like my appearance

here this evening, do not blame me, for he is at least accessory before the fact.

His Excellency, the Governor, is very sorry he could not have the pleasure of being here with you this evening. He is suffering from a bad cold. He hoped he might be here, but yesterday was worse, and he has been confined to his home, and cannot be here. He regrets it very much.

Perhaps some of you have seen Frank Craven's play "The First Year". There is a lady of color in it who is asked by her mistress whether she can wait on tables. "Yes, I waits on table, and I washes, but I washes best". It is unfortunate I did not have the pleasure of being here with you last evening, because some of you may decide "I dances best" before I am through.

Massachusetts is a good customer of yours. We have some 4,150,000 people, all of whom very obviously consume your products. Incidentally, the Commonwealth of Massachusetts uses a good deal of your product in its different institutions with the 30,000 people it feeds, and each year we buy 31,000 barrels of flour, aside from the feeds we buy for the horses and cattle on our state farms.

The State of Massachusetts is a very modest place; we do not say much about ourselves, but I shall depart a little from that modesty to show you that you are good customers of ours as well as our being good customers of yours. In 1820, in value of the total manufactured products Massachusetts ranked at a certain place in the list of some 20 states. At that time the West was just opening up, the Pacific Coast had no settlers whatever, and the South was in a rudimentary condition from a manufacturing standpoint. In 1920, 100 years later, with the West in the full bloom of industrial growth, with the South and the Pacific Coast in full development, Massachusetts out of 48 states ranked one notch higher in total manufactured products than 100 years before. Massachusetts is forging ahead. You are all rightfully proud of your own parts of the country. As a Massachusetts man, I suggest that you come to Massachusetts and grow up with the country. A man running for political office was telling what he had done and was going to do, and he talked on and on, and finally a man on the edge of the crowd said to an old colored man, "What do you think of him?" The old negro replied "I don't know who de gen'leman is, but he sutlinly do recommend hisself most highly."

Massachusetts is proud to have you choose its capital city for your convention. We hope you have all had a most enjoyable time. We hope you will go back and carry a message of good will and brotherhood from Massachusetts to all you meet, and we hope, above all, you have had such a good time that you may want to come back again soon, so that we may again have the honor of having you as the guests of the Commonwealth.

The Toastmaster: Perhaps few of you during the years have been able to see much of the United States Navy. We along the coast feel very strongly that a competent, fairly large navy should always be at hand to protect American interests. It is with great pleasure that I introduce to you tonight one who has been host to some of you today, Rear Admiral Philip Andrews of the United States Navy.

ADDRESS OF REAR ADMIRAL ANDREWS

IT HAS been a great pleasure to me, as it has been to all of us who belong here in Boston, that this convention has come here. I know you have had a good time, and I hope you will come again to Boston, which has much to offer you. I am particularly glad you come here, because I am here, and I have had an opportunity to see you at the navy yard yesterday and some of you today, and to have you see some representative ships of the Navy. You saw the cruiser *Raleigh*, the light cruiser type which this winter in Congress will be more or less a matter of controversy. There will be a question whether we will get 15 cruisers of that kind, which the administration has asked for and hopes to get. I am sure you will realize what that light cruiser is for. She must be fast; she has a speed of 35 knots. With the vast areas of waters we have on both coasts, we need cruisers of that kind, of large fuel capacity, able to go long distances, and able to carry a fairly good sized eight-inch gun. And I may say for the Navy that we do not need any less sized cruiser than that or any less sized gun than that, though some other nations want smaller cruisers and smaller guns. We haven't as large a merchant marine as some other nations, and those merchant vessels can in time of war be converted into light cruisers and be able to carry a six-inch gun, so that if we were confined to lighter and smaller cruisers, with the smaller six-inch gun, we would be distinctly at a disadvantage, very much in the same manner as an automobile without filling stations, because we have no bases in the Atlantic, and only one in the Pacific Ocean.

Some 30 of your number today were on the larger type of submarine. We need the larger type because of our considerable distance from any point we would want to reach. You from the Middle West have as great and perhaps a greater interest in the Navy than those who live on the seaboard, because after all there is little chance of any one coming across and attacking us on our seacoast. They might try a blockade, however, and that would interfere with the passage of our merchantmen; that is our lines of communication, and in that you are vitally interested. To close a port means that grain cannot go out of it or any other product dependent upon sale abroad. And to interfere with the free passage of our merchant ships all over the world strikes directly at the whole industrial and agricultural



GRAIN DEALERS AND THEIR GUESTS AT THE BOSTON BANQUET, SEPTEMBER 25, 1928

life of this country, the interior as well as the coast.

For the export of our products we need a large merchant marine, and we haven't it. It is time we got it, and I think we are on the eve of getting it. We cannot have a large merchant marine without a navy; they go together, a well rounded navy. A well rounded navy to my mind is a preparation, not for war, but against it. To have a weak of inefficient navy is almost as bad as to have none at all. It simply invites attacks on our interests.

Tonight I am going to have the pleasure of presenting to your president a block and gavel, which we have made from the wood of the original hull of the *Constitution*. Her rebuilding is now about 45 per cent completed. She is to be entirely rebuilt, and when she is rebuilt, is to go all over the United States, on both coasts, into the Great Lakes when that is possible, and up all the big rivers so that all the people of the country may see her, and all the children especially may see her and realize what she means and what she has done for this country. She will have on board a historical and educational museum. The rebuilding of the *Constitution* is one of the finest things ever done, and the campaign to raise the money has been carried on in a way which carries this patriotic and educational museum to all the people. It is a fine thing, especially for the children, and of course they are the more important, for they are the future generation.

I will conclude by presenting this block and gavel and a framed picture of the *Constitution* to your president. They are both given by the First National Bank of this city. The pieces of copper on the corners of the picture come from the copper sheathing on the hull. I take great pleasure in presenting these to Mr. Sturtevant for your association.

The President: The president of this organization has many duties to perform, some pleasant, and some not so pleasant, but had I any unpleasant duties to perform during my term of office, the difficulties would be more than compensated by the honor of this occasion, the honor to be in Boston as president of the association, the honor to sit at the table with this distinguished company, the honor to address this wonderful audience, and particularly the honor to accept on behalf of our association this wonderful gift. I scarcely have words to express my appreciation. It is not a courtesy—it is more than that. It is not hospitality—it is more than that. It is a most delicate tribute to us, and we appreciate it as such. All of us were taught the story of the *Constitution* when we were children, and of her wonderful history. She was built in the City of Boston, she sailed out of Boston Harbor to an uninterrupted series of victories. I am still thrilled with those stories, and we should be, because it is a wonderful story. The British said we weren't playing fair, that we were sending out a line of battleships under the guise of a frigate, and that was the reason we won those victories. It reminds us of the story of one of our Civil War generals, more noted for victories than erudition. He said the way to win battles was "to get there fustest with the mostest." And that is what our Navy has been doing ever since the *Constitution* was launched. Nothing was necessary to remind us of our pleasant visit to Boston, but if anything were necessary this gift we have received tonight would have filled our memories with the pleasure of this visit to Boston. I want to say to Admiral Andrews that this picture will hang in the headquarters of the association as long as the association exists, and this gavel which I will hand to my successor tomorrow. I am sure will be used by my successors in office always in the memory of this occasion.

The Toastmaster: The mayor, we learn, cannot be here. He had to go to New York. I cannot see why any one should want to go to New York. The best thing in New York is the five o'clock train for Boston. If he were here, however, the mayor, even at this late date, would have given you the freedom of the city. Speaking of freedom, a French lady was coming across the ocean, and she met various Americans. She said to one, "What I want to see is ze great statue of ze liberty, which my country present to America." They came into New York harbor, and the statue was there with the light at the top, and the American said, "There, madame, is the Statue of Liberty." She said, "Ze great statue which my country present to America, but why so small a light on ze great statue." And he replied "Madam, the smaller the light, the more the liberty."

Boston is said to be celebrated for its Back

Bay, its front people, and its public gardens. Back Bay is the most accessible, the front people, as evidenced by the mayor's absence, are the hardest to get at, and the public gardens are the most highly cultivated.

A business question which may be presented to the meeting tomorrow has been propounded, and that is, when you send grain by freight and by car, you call it a shipment, but when you send it by ship you call it a cargo. We are rather proud of our words here in Boston, and we would like to have you from the west give us the reason for this distinction.

I know how the next speaker feels about my prolonging my remarks. A man was sentenced by a judge to 20 years in prison; the judge having neglected to ask him if he had anything to say why sentence should not be pronounced upon him, asked the question after the sentence had been passed. The prisoner said, "Judge, I think you are damn free with another man's time." There was an Indian out west with four wives. The Indian inspector said "That is a violation of the law. You go back to your home and tell three of those wives they can't live with you any more." The Indian said "Ugh, you tell 'um."

Maine is a wonderful state. They have my cracker barrels in the country stores there, and a good opportunity to throw things at each other verbally. One evening, with a dozen of them about, an old man with white whiskers came in, old Silas Simpson. Zeb Holmes also was there. Silas said, "Zeb, when the women folks are washin' up the dishes, and I'm sittin' in front reading



FRED G. HORNER

the paper, I notice you goin' by the house about every night. Where are you goin', Zeb?" "Well, I guess I have a perfect right to go along there. It's a public highway, and it's nobody's business." "No, it ain't nobody's business, but the women folks are kind of curious. And the funny part is you always have a lantern." Zeb says, "I have a perfect right to carry a lantern. There ain't no law against it." "Well, Zeb, everybody knows you're going down there courting Lila McKenzie," Zeb says, "I guess that ain't none of your business." "No, it ain't, but I want to tell you one thing, when I went a-courting I didn't have to carry no lantern with me." "No, and for God's sake, look what you got."

The next speaker is an elevator, in other words, he is a clergyman. I doubt if he is ever loaded to capacity; I am quite sure he isn't empty now, because I sat near him. During the war he had a commission as captain in the navy—I beg pardon, there is an awful lot of difference between a chaplain and a captain. He was a chaplain in the navy. You will understand when you hear him talk why I understood him to say captain. You have heard about the Scotchman who wouldn't send his boy to school because he had to pay attention. Francis Ouimet told a story after a journey to England with the Walker golf team. A man over there had a friend from Glasgow come to Liverpool on business. He met him at the train, took him to lunch, gave him an automobile ride, a round of golf, took him to dinner and bought his ticket home. On the way to the train he said, "Let's go over to the pub and have a glass of beer." They walked over and had the

beer, and the man reached for the check, and the man from Glasgow said, "No, you have given me a nice ride, and took me to lunch, and gave me a golf game and nice dinner, and bought my ticket home. I am going to have a part in this entertainment myself—We'll match for this." I take great pleasure in introducing a man who is well known in Boston. I hope you will like him, and I hope you can understand him, the Reverend John Nichol Mark.

ADDRESS OF JOHN NICHOL MARK

I AM much like the Scotchman who was telling another how he got his sleep. He said, "When I canna go to sleep, I get up and take a wee drop of whiskey." "Do you go to sleep then?" "No, I take another wee drop." "Do you go to sleep then?" "No, I take another little drop, and then I don't care whether I sleep or not." After hearing all these good things tonight, I don't care whether I make a speech or not.

I am glad of this introduction. Sometimes you get peculiar introductions. I was in a Masonic meeting a little while ago, and the Worshipful Master said, "I want to introduce Rev. John Nichol Mark. I want to emphasize the Nichol because the Mark isn't worth a damn." Being a Scotchman, I am glad to know the mark has now been placed on the gold basis.

I was down at Waterville, Maine, conducting a mission for one of our churches. When I got there I found a sign saying that John N. Mark, D. D. would be the preacher. I had never seen my name in such large print, and I got hold of the advance agent and said, "Look at that sign." And I told him a story I had heard at the Portland Rotary Club. Two Irish ladies got some money left them, and they went to hear some excellent music. Anastasia said to Bridget, "What are they playing?" And she said, "I think it is Lucy's Croquettes." And she said, "No, it is the Rusty Chandelier." But she said "Bridget, there is a big sign over there and that will tell you what they are playing." Bridget went over, and when she came back she said "Anastasia, we were both wrong, it is a Refrain from Spitting." Both the D. D. and the Doctor were wrong.

I do not feel as much embarrassed tonight as I did a few nights ago, talking to a group of young mothers. I told them I knew as much about the mother business as the two Irish ladies who went to church and the priest preached an eloquent sermon on matrimony. One was Miss McGinnis, an old maid, and the other was Mrs. Murphy with eight children. Miss McGinnis said, "Mrs. Murphy, that was a wonderful sermon." "Yes", said Mrs. Murphy, "It was a wonderful sermon, but I wish to hell I knew as little about it as he does." I told these good ladies I felt much like the man waiting in the hospital the other day for the baby to come, and he suffered mental torment. After a while the nurse came and said "It's a girl." And the poor father wiped his brow, and said "Thank God, it's a girl. She will never have to suffer what I have suffered in the past four hours."

Mr. Garcelon said I should have 20 minutes, 15 minutes to tell stories and five minutes for the address. Two Scotchmen were going for a voyage, and one gave the other a hundred dollars to get provisions with. He got \$98 worth of whiskey, and \$2 worth of bread. "My God," he says, "What are ye going to do with all that bread?" I have been wondering what I am going to do with my five minutes.

You know a Scotchman doesn't feel at home in an audience like this. Two things are necessary for him to feel right. One is a drop of Scotch whiskey. A Scotchman was going home on Saturday night, and he was lit up inside and had a supply on his hip. He was going along like a battleship in a storm, and he struck a lamp post, and heard a crash, and then felt something trickle down his leg, and he put his hand down and said "I hope to God, it's blood." The second thing a Scotchman needs is the bagpipes. You know his idea of Heaven is a little room with 20 bagpipes all playing different tunes.

I am not going to tell you any Scotch economy stories. We are getting on our ears, and are going to form an organization to offset this propaganda against the Scotch. A Scotchman opened his pocketbook, and a moth flew out, is one of those stories they have told about us. We have gone to the bottom of that story, and find it is absolutely untrue. When the Scotchman opened his pocketbook the moth was dead. The only objection we have to those Scotch economy stories is that they are all at our expense. Some one asked Harry Lauder if he had a message for the people of Boston, and he said "Yes, I want to tell the people of Boston the Scotch people are the most generous to be found on the face of the earth; but," he said, "did you ever see such a

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wonderful control of the emotions?" Some one asked what they called it Scotch whiskey for, and the answer is because it makes you tight. They ask how much liquor a Scotchman can consume, and the answer is any given quantity. They tell the story of a Scotchman who got a quart of whiskey given him, and he was suspicious of it because it was a gift from another Scotchman. He took it to a chemist for analysis, and he said, "That is poison. You will go blind if you drink it." Sandy was impressed, but he took the whiskey away with him. About a month later the analyst saw Sandy, and said, "What about that whiskey?" "It's all right." The analyst said, "Sandy, you didn't drink it, did you? I told you you would go blind if you drank it." "No, but it's all right." "You didn't sell it, did you?" "Of course I did," says Sandy, "I sold it to my blind uncle for \$10."

When a minister gets out of his pulpit, he always says it will be a talk or an address, but you may always be sure it will be a sermon. An Irishman was taken captive at the Battle of the Marne. He annoyed the Germans because every once in a while he would shout, "We Irish certainly gave you Germans hell at the Marne." That didn't please the Germans, particularly the officers, and they said, "That Irishman is breaking down the morale here," and they issued an ultimatum that he must become a German citizen or be shot at sunrise. Now Pat didn't want to be shot, so he took the oath of allegiance, and then he shouted out, "Well, we Germans have

the world and your community in particular a little sweeter and better and cleaner because of your presence. And that holds not only for the preacher and the teacher, but for the man who is making steel rails, Bull Dog suspenders, or grain feed products.

True success is being one's very best and doing one's very best, in the hope that what we do may be of service to humanity.

Let me give you two examples of what I call real success in life. At Johns Hopkins University there is a professor named Beecher. He has been for many years experimenting with the X-ray, and he has paid a huge price. He has been 72 times burned, and each time they have left their marks. These insidious burns are eating his body. They have taken some of his fingers and a thumb, and the skin from his arms. He has been operated upon many times, and an operation was performed last March, and skin grafted on. And yet that man continues to experiment today with just as much enthusiasm as when he started 25 years ago.

In March of last year signal honor was paid in the House at Washington to a young man named Brouthers, of Cincinnati, who lost both from this state, they set aside five minutes while they were in the gallery of the House, at the request of Edith Rogers, one of our representatives from this state, they set aside five minutes while she paid tribute to his courage as a soldier and during his rehabilitation. She told the House that Brouthers would graduate from the University of Maryland, despite the fact that upon his discharge from the military service 10 years ago, besides his physical handicap, he had only the training of a 10-year old boy. These two men have been truly successful in life, more so than the man who piled his wealth as high as the pyramids of Egypt, or who has reached the top-most rung in the ladder of fame.

As I apply my touchstone to successful men I find they possess a spirit of enterprise. Edison is one of the most successful men we have in America today, and when we examine his life, we find his outstanding qualification is his unbounding enterprise. If an experiment fails, he never gives it up. One of his inventions was the result of 50,000 experiments. When he was working on his improved electric lighting he sent men to the remote corners of the earth in order to find some fibre or material that would provide the proper kind of filament. He is 81 years of age, and yet he reads more trade journals than almost any other business man in America today.

Many of you people read the *Saturday Evening Post*, a very fine American journal. Do you realize that Cyrus Curtis spent more than \$1,000,000 on that before it began to pay? His associates asked him to desist, but his enterprise was greater than theirs, and he finally won.

You will find at the bottom of every great fortune a very notable achievement, the enterprise of some one individual. Enterprise is first cousin to energy, and it is related to ambition and foresight. Enterprise's arch enemy is laziness. Get that picture, "I went by the field of the slothful, by the vineyard of the man void of understanding, and, lo, it was covered with thorns, and nettles had covered the face thereof, and the stone walls were broken down, and I looked upon it and received instruction." A lazy man is of no more use than a dead man, and he takes up more room. As Hubbard says, "An idler is like a watch that wants both hands. It is useless when it goes as when it stands."

As I apply my touchstone to the really successful men I find they made a wise use of their obstacles. Kites fly against the wind, and not with it. We are told that Napoleon's companions at the military college made sport of him because of his humble origin and poverty. Did he whine? No, he applied himself with greater diligence to his books, and soon, rising above them in scholarship, he commanded their respect, and soon he was regarded as the brightest ornament of the class. Difficulties sometimes bring out greatness and make it possible. How many centuries of peace do you imagine would have produced a General Grant? Who knew Abraham Lincoln as the great Lincoln until the stress of civil war disclosed his greatness? Tools receive their edge from grinding, and their temper from fire.

I would leave this one picture with you before I go on. Think of David Livingston, that great statesman-missionary, dying in the heart of Africa alone, not a white man within 1,000 miles of him. What a vain thing that life must have seemed as it slowly ebbed away, and yet through that life alone, half of Africa was opened to light and civilization.

As I apply the touchstone of success to suc-

cessful men, I find they do not despise the might of little things. There is one message and lesson that should be taught to the youth of America today that there is nothing too small to be done honestly and well, when a little rivulet in the mountains may result in an Amazon, or when the stealing of a penny may end on the scaffold. It was my chance to go through the state prison at Charlestown recently, and as I looked at those men, some of them there for life, I asked myself, what was the first thing that started them on the downward path of crime? Possibly evil companionship, a simple act of wrongdoing, done in the spirit of bravado. There is a Scotch proverb, that the mother of mischief is no larger than a midget's wings. Small strokes fell great oaks. Take care of the pence, and the pounds will take care of themselves. These were some of the words of wisdom that fell from the lips of Benjamin Franklin, and they are as true in 1928 as the day they were uttered. "Shirk not a trifle, though it small appears, Small sands the mountains, moments make the years, and trifles life."

And just as trifles on occasions may be stumbling blocks to the building of manhood and womanhood in that boy or girl of yours, so also they may be stepping stones to higher and better things. Do you realize that a few sea weeds floating out from the shore enabled Columbus to quell the mutiny which I believe would have prevented the discovery of America? Do you realize that Henry Ward Beecher was within one vote of being elected superintendent of a railroad? If he had received that one vote, America probably



MR. AND MRS. W. A. WEBB, LEROY, ILL.

certainly got to admit that the Irish gave us hell at the Marne."

I am going to talk for a short time on a subject which I hope is interesting to all of you, "The Touchstone of Success." We are told that the precepts of the Proverbs are the dicta of common prudence with reference to everyday life. I find these words, "I went by the field of the slothful, by the vineyard of the man void of understanding, and, lo, it was covered with thorns, and nettles had covered the face thereof, and the stone walls were broken down, and I looked at it and received instruction."

The thought of this address is contained in this couplet:

"All is not gold that hath a glistening hue,
But what the Touchstone tries and findeth true."

We are told that the touchstone is a salacious stone that is used to test gold and silver by the streak left on the stone when rubbed with the metal. It is a test to try a thing's quality. I am going to apply the touchstone to what we call success. Some one has said the way to success in life is as plain as the way to the market. I am not so sure of that. No word is so fraught with wrong definitions as this word "success." One man says, "After 40 years' experience, I have come to find success far different from what I thought in the beginning." The most successful men known are those who have helped others to higher things, better living. The most unsuccessful men I have known are those who have looked upon wealth as the object of all endeavor. I have never known one who achieved his aim who was not a disappointed man. True success is doing something to make



C. F. MORRIS, DURHAM, N. C.

would have lost its greatest preacher. Oliver Cromwell was ready to come to America, when a law was passed prohibiting emigration. If he had come, who can tell what the history of Great Britain and the world might have been? Trifles sometimes make all the difference between success and failure. "I do not see that you have made any improvement since my last visit," said a gentleman visiting the great sculptor, Michael Angelo, in his studio. "Yes, I have refined that part, softened that feature and broadened that muscle." "But those are only trifles." "Yes," replied the great sculptor, "those are only trifles, but trifles make perfection, and perfection is no trifle."

"Do the little things now," says a Chinese proverb, "and by and by the big things will come begging to be done."

As I apply the touchstone to successful men, I find they learned to labor and to wait. Patience, practice and perseverance are the three great elements of success. Ninety per cent of our American boys and girls lose their first jobs, because of one or more of five reasons. So says H. G. White, who is the chief statistician for Swift & Co., of Chicago. Two of them are unwillingness to work hard and the unwillingness to wait. The unwillingness to work hard is found in their being late to work in the morning, stretching the lunch hour or cutting off a few minutes from the end of the day, and in watching the clock. The second is shown by their unwillingness to master each step before going forward. That is characteristic of our day and generation. The boy cannot wait to become a youth, the youth cannot wait to become a man. The youth is rushing into business without any great reserve of edu-

cation or preparation. Is it any wonder they are doing feverish work and are breaking down in middle life? We are all in a hurry. What we want is a Bancroft willing to spend 28 years in the making of a history, a Webster spending 38 years in the making of a dictionary. It wants a Grant fighting on toward the great goal in silence while being criticised by politicians everywhere. It wants one who will spend long years in preparation for the laying of a cable across the Atlantic, a Field, when the whole world was calling him a fool. It wants the man in the words of Longfellow:

"Let us then be up and doing, with a heart
for every fate;
Still achieving, still pursuing, learn to labor
and to wait."

And in closing, as I apply my touchstone to the world's successful men, I find they reach out beyond themselves. There is an Oriental proverb which says, "If you have two loaves of bread, sell one and buy white hyacinths to feed the soul." Ladies and gentlemen, there never was a time in the history of the world when there was a greater need for higher idealism than today. The world is too much engrossed in getting and spending. We have given our hearts away for this, and our hearts are out of tune. What does it matter if we should amass a pile of wealth as high as the pyramids of Egypt? What does it matter if we should get to the topmost round in the ladder of fame? If we do not grow gradually in soul, we cannot succeed in other ways. And by that I do not mean your religion. I mean what you are in every department of human life, what you stand for in your home, in your business, in your church and other organizations, what you think and say and do.

"Were I so tall to reach the skies,
And grasp creation in my span,
I must be measured by my soul,
The mind is master of the man."

A year ago a young man was executed in a prison in Connecticut, a young fellow who had the makings of a leader. No matter what department of life he would have gone into, he would have come to the top because of his native ability. But he chose to live on the lower levels. I talked with Father Callahan, the chaplain of the Tombs prison in New York City, and he told me that on one occasion he pled with all his

that time, "When man to man the world over shall brothers be," and a nobler race than this world has ever known shall rise with the flame of freedom in their souls and the might of knowledge in their eyes.

"All is not gold that hath the glistening hue,
But what the touchstone tries and findeth true."

The Toastmaster: Before giving way to the next speaker, I wish to thank those here for their consideration of the toastmaster. He believes he would like to be a grain dealer and be a member of this organization. We do sincerely hope you will come again to Boston. I am going to ask Mr. Quinn, the secretary, to say just a word.

The Secretary: I do not intend to make an address, or do more than just a word or two with reference to the splendid work done by the local committees in preparation for this convention. I have been requested to voice this little word of appreciation, and to express the appreciation of the association and of all those who have come here and have been so beautifully entertained.

The Grain Dealers National Association is



G. B. WOOD AND MARK STEELE, OF BUFFALO

quite an old organization now. It is a third of a century old, and we have had many experiences in that time in entertainment. We have had conventions that were jerky, that did not run smoothly, where the arrangements seemed to have been incomplete. We have had others that worked just like a well oiled machine, those of our members who came were well entertained, the program was run off so smoothly that the visitors were not conscious that the program had even been prepared. In the 17 years of my connection with the association there have been two or three other such conventions. One of them was in Baltimore in 1917. This convention in Boston was a convention handled very much like the Baltimore convention. It was a convention that gave every one of our members great pleasure; it was one that lingered long in our memories. And yet there was no comparison between that convention and this one, wonderful as the Baltimore convention was, because in this convention our members were brought to a country that many of them had never seen before, to a country every one had read about, that was hallowed by the footprints of the patriots of the Revolutionary War.

This part of the country, as every schoolboy knows, has been happily called the "Cradle of American Liberty," and those of us who have never before had the privilege of visiting these historical scenes, and living over again the great events which brought into existence this great Republic, have had the chance this time. That has been due to the local grain men who prepared this program, who took every one every place they wanted to go, in addition to the places nominated on the program, and who made this whole meeting so enjoyable and so thoroughly satisfactory that the officers of the association thought it would be a great mistake and an oversight on our part to permit this beautiful

banquet to adjourn without an expression from us of our appreciation of the splendid work of these local committees.

(The banquet then adjourned.)

ENTERTAINMENT IN BOSTON

Liberal provision for the entertainment of the ladies and gentlemen attending the convention, was made by the Boston grain men. Mrs. Paul Rothwell and her committee carried out an unusual line of entertainment features for the ladies, and for early arrivals, a reception was held Sunday, September 23, on the mezzanine of the Statler.

The visiting ladies were conducted on a shopping tour through the Boston business district Monday morning and a luncheon was served following this event.

The trip to Boston Harbor and the Navy Yard was made by both men and women visitors Monday afternoon, in seven chartered surface cars which were expressed to the navy docks. An inspection of the *Raleigh*, newest type of United States Navy cruiser, was made there. This ship was held three days from its departure for service in European waters, in order that the Middle West, as represented by the grain dealers and their guests, might examine it first hand.

The "Chinese Hop", dance event of the convention, was held Monday evening, and a 22-piece orchestra furnished the inspiration. The ball was remarkable for the almost total absence of "wall-flowers." All unaccompanied men were immediately shanghaied on to the floor by Boston men and introduced to Boston maidens who evidently had been well-tutored in the art of hospitality.

Tuesday morning the ladies were guests of a sight-seeing tour around Boston, which was climaxed by an inspection of the Metropolitan Theatre where a special performance was witnessed. In the afternoon, the ladies again were joined by the men for the motor trek to Lexington and Concord. This was truly a short course in American history, admirably disguised as a pleasure trip, but the disguise was perfect and it was enjoyed by all.

The trip on the United States submarine, S-19, now stationed in the West Indies, was a voyage which will be remembered much longer than the average convention feature. About 28 western-



REPRESENTING PHILADELPHIA

J. G. Vandergrift, D. H. White, F. J. Montmore, W. O. Fehling

might with Gerald Chapman, and showed him the error of his ways, but he was adamant, the good priest made no impression on his mind and heart, and he went from the Tombs prison and became a thief and a murderer and an enemy of society.

Compare that wasted, non-idealistic life of Gerald Chapman with the life of Charles P. Steinmetz, the great electrical engineer, who died the very same week in which Chapman was executed.

So I would say to you men and women of these great organizations, of high ideals in your lives, in your homes and in your business. I wish you could have as your ideals those splendid mottoes that we try to live up to in the International Rotary. "Service above self," and "He profits most who serves best." I wish we could all have that beautiful prayer of Theodore Parker, when he said, "Give me the power to labor for mankind, make me the mouth of such as cannot speak. Make me the eyes of groping men, and to the weak, let me be hands and feet. And lead me still further to such as Thy Kingdom seek." I plead with you to be true to the great national and international ideals and in that spirit of true idealism let us all work together for the bringing in of the time prophesied by Bobbie Burns.



MESSRS. FLANLEY, MASON AND GUESTS
ABOARD THE "S-19"

ers and one Bostonian, A. S. MacDonald, who acted as host, were taken to the Navy Yard in a motor coach, and after signing immunity waivers, stepped over the gang plank onto the deck of the 210-foot shell. Captain Crutcher was in command, and gave his passengers free access to the conning tower, control room, Diesel engine room, and torpedo compartment. Until the ship was eight miles out, however, many remained on deck, making wills, remembering sins, etc.

The order to go below was obeyed with great alacrity, and the hatches were sealed for the dive with a fatal-sounding click. Through periscopes the grain dealers then watched the submerging operation. Water gradually closed over the decks, and in the control room, levers were released, and gadgets twisted at a great rate. Smoking was allowed, and no artificial air was pumped, as the dive lasted only about 30 minutes.

On the return trip, Lieutenant Ware explained how torpedo firing at moving objects (such as grain ships) is calculated, to a group who leaned against the eight seven-foot torpedos carried forward. "Bon Voyage" was wig-wagged to the *Raleigh*, outward bound for Europe, as the S-19 neared the docks.

October 15, 1928

BOSTON CONVENTION NOTES

The Sioux City (Iowa) Grain Exchange was represented at the meeting of the Grain Dealers National Association, at Boston, by S. P. Mason, general manager, Terminal Grain Corporation, M. King, and Charles Flanley, president, Flanley Grain Company, and Paul Larson, chief inspector of the Sioux City Grain Exchange.

The Buffalo registration at Boston totalled 20, which included J. G. McKillen, of the firm bearing his name, and G. B. Wood, of the Seymour-Wood Grain Company. Two ladies accompanied their husbands from Buffalo, Mrs. Thomas Harris and Mrs. M. F. Cohn.

The Meistersingers at the Boston banquet had only one fault. They were never so unprofessional as to give more than one encore.

After joining the navy, seeing the world, and hearing a rear admiral speak in Boston, all within 24 hours, we have returned to this rather high and dry city of Chicago with a great disdain for all the millionaires' yachts anchored in Belmont Harbor off Lake Michigan. Heretofore we always have been impressed by this fleet, but such is our sophistication now, that the next time we drive by Belmont we probably will yawn, flick ashes yachtward, and look the other way.

A taxi took us from the Statler to the Boston grain exchange in seven minutes, so next time we decided to walk it. We followed exactly the course our cab had taken, but somehow or other we ended up at the Parker House. This paragraph is our own map of Boston streets.

With 60 Boston women registered and 126 Boston men listed, the total registration was around 600.

Mr. and Mrs. W. A. Webb, of Leroy, Ill., were the kind of ambitious people who climbed to the top of capitol buildings, etc., between meetings. They returned home by way of New York City.

J. A. Streicher of J. F. Zahm & Co., Toledo, Ohio, was accompanied to Boston by Mrs. Streicher, swelling the Ohio delegation to an even dozen.

The St. Louis Merchants Exchange was officially represented by C. B. Rader, secretary. A. H. Beardsley, of the Picker & Beardsley Commission Company and J. H. Caldwell were among other Missouri registrants.

Frank P. Manchester, secretary of the Omaha Grain Exchange, was in Boston with Mrs. Manchester and Frank Jr. The many Omaha delegates sat in as guests this year, after acting as hosts in 1927. On both occasions they seemed to be enjoying themselves.

To wear or not to wear semi-formal attire at the annual banquet of the Grain Dealers National Association is a question which one eastern dealer we know of, attempted to answer nobly in the affirmative. Appearing early on the scene in a tuxedo, he made his way to the Statler banquet hall, where he was delighted to find a large group of men in similar dress. These he mingled with, asking one individual for a light, just to break the ice. "Waiters do not smoke here," was the chill response. "Take these gloves and get your table assignment from Eugene." The dumfounded dealer hesitated, laughed and hastened to explain, but was interrupted with the further command to "either get busy or turn that suit in!" In the confusion, the dealer escaped and later, disguised in a business suit, crept safely past the lines.

Fred W. Scholl of the Scholl Grain Company, Cincinnati, Ohio, was accompanied to Boston by Mrs. Scholl and Fred Jr. Robert Lee Early of the Early & Daniel Company, was another Cincinnati representative. The Scholl family was represented on board the submarine which explored the Boston harbor bottom.

L. T. Sayre, R. A. Schuster, of the Rosenbaum Grain Corporation, Lipsey, of the Norris Grain Company, and Howard were among the first arrivals from Chicago which shared honors with Buffalo in the matter of heavy registration in Boston.

Mark Winchester, of Toledo, Ohio, never has time to even register at national conventions, but he is one of the most important delegates. For about 15 years he has been taking down verbatim record of all proceedings at these annual meets, and without him our 32-page report would be incomplete.

WEIGHMASTERS DISCUSS CAR AND SPOUT ARCHITECTURE

(1) Opposition to the railroads' policy of substituting 100,000, and 125,000-pound cars for the 60,000, and 80,000-pound type, in grain traffic.

(2) Commendation of the single-wall box car as against the double-wall type.

(3) Opposition to the general practice of running loading spouts through bins, so that leaks are difficult to discover.

Discussion at the eleventh annual meeting of the Terminal Grain Weighmasters Association, held in Boston, September 24, crystallized into the three main points listed above. P. P. Quist, of Minneapolis, re-elected as president before adjournment, opened the convention with these remarks:

ADDRESS OF THE PRESIDENT

I am glad to welcome you to this—our eleventh annual meeting. We are here to exchange thoughts and experiences which aim to promote efficiency in our service to the grain trade. I have attended every meeting so far and have always come away with knowledge that has been of value in my work, to say nothing of the fellowship gained in meeting the men engaged in the same kind of service.

The Terminal Grain Weighmasters National Association has been in existence for 10 years, being organized in Milwaukee October 12, 1918. The veteran board of trade weighmaster, H. A. Foss, of Chicago, called the meeting to which the weighmasters of the different terminal markets were invited. I well remember Mr. Foss' statement in taking the chair when he said, "I have long held the opinion that a conference of this character is desirable to further the interest of uniformity in the practice of the terminal grain weighing departments, as well as uniformity in the work of testing grain scales." Mr. Foss' idea, thus expressed, became the motive of this organization, and it has been working along that line ever since and much has been accomplished towards the goal aimed at 10 years ago.

At that time there was more or less distrust between the different grain markets; many of the dealers were under the impression that the weights of other markets than their own were not dependable and needed looking after, and I know that investigators were sent out to locate supposed fraudulent weights at rival markets.

These investigations did not disclose any dishonesty. There was, however, too wide a spread in the weights between some of our markets, which most likely was due to lack of opportunity keeping close check on the scales and loading spouts.

The suspicion which existed between the grain markets naturally affected the weighing service as well, and when the question came up as to the responsibility for the excessive difference between the loading and unloading weights, the verdict was usually against the other market.

There has been a great change; business is done today on a higher level. While competition between markets is as keen as ever, there is a tolerance which I believe is due to organization where the

person is more careful when he knows his work will be checked up at the terminal market.

Our rules provide that a special investigation shall be made in case the difference between the loading and unloading weight is abnormal. It is our practice, where the shippers' name and address is given in the card, to advise him of the result of our special investigation. This close contact with the shippers has done much to do away with the suspicion they had against the terminal markets.

At the annual meeting in Omaha a year ago we adopted a resolution asking the Grain Dealers National Association to recommend to its members the use of loading weight cards, which was adopted.

The grain journals are also recommending this system, but it will take some time to convince the shippers of its benefit. Many of the shippers object to revealing the loading weight, being under the impression that should they happen to forget to count a draft in loading a car with subsequent overweight, they would only receive credit for the amount stated on the card, while if the terminal market had no knowledge of shippers' weight, they would receive credit for the entire load.

It is consequently up to us, as weighmasters, to keep close check on our scales and equipments, as we are then in position to convince the shipper that our weights are correct, and also, that credit is given for the actual weight regardless of the amount stated on the loading card.

M. H. Ladd, of Milwaukee, later re-elected as vice president, then delivered this paper:

SUPERIORITY OF THE SINGLE-SHEATHED GRAIN CAR

The single-sheathed box car, for the transportation of bulk grain, is so far superior to the double sheathed car that there is no comparison between the two types. That is my personal opinion based on observation and analysis during the past several years, and I feel positive that you gentlemen all agree with me.

Since our meeting in Omaha a year ago I have given this matter more attention and consideration than ever before, and am more convinced than ever that the single-wall car is the ideal car for grain trans-



GROUP ATTENDING WEIGHMASTERS' MEET IN BOSTON
J. M. Bylsma, Chicago; F. H. Schlinkert, St. Louis; P. P. Quist (Re-elected president) Minneapolis; Messrs. Schmitz, Byrne, and King, Chicago; M. H. Ladd, Milwaukee

interested parties can meet and settle grievances—real or imaginary—in an open way.

I believe the Terminal Grain Weighmasters Association has done much towards quieting the suspicion by adopting the shipping weight card system, which made it possible to keep close check on the weights between the different markets.

Many of the markets did not have a cross-town movement of grain whereby their own weights came in conflict, but depended on an annual or at best a semi-annual, scale test, which was not sufficient to keep scales built on the cribbing or insecure foundations up to standard, as there is almost a constant settling and heaving which will cause more or less disarrangement of the scale leverage resulting in unreliable weights.

I have known scales to change from one to two pounds per 1,000 pounds from standard in filling an elevator or in emptying it, and the same is true, to an even greater extent, of a track scale built on insecure foundation.

While weight discrepancies are generally traced to scales, loading spouts also need close attention, especially where they pass through storage bins. Owing to the fact that Minneapolis flour mills receive a great deal of wheat annually from different markets, we are in a position through the weight cards to compare weights, and it is interesting to note the change that has taken place during the last few years.

Hundreds of carloads of wheat are received at Minneapolis from different terminal markets where the difference between the shipping weight and our weight is less than one hundred pounds per car, where formerly the difference was more than double that amount.

I am convinced that if the country shipper could be induced to adopt the same card system as used between the terminal markets that closer weights would be the result. We have a law in Minnesota which requires the shipper of grain to post a card in the car showing the loading weight, and we find a decided improvement in weights has taken place where the shipper complies with the law. It seems that a

portation. This type of car is practically leak proof. In my department we kept a special record over a certain period, and during this period 3,000 grain laden cars were unloaded; 1,007 cars, or practically one-third of the 3,000 cars, were of single-wall construction, the remaining two-thirds being of the double wall type, and having outer sheathings of wood and steel, principally of wood. Of the 1,007 single sheathed cars we found only one car that was leaking grain on arrival, and that leakage was through a crack between two floor boards.

Evidently the floor had been built of green lumber and the boards had shrunk apart far enough to allow the tongue to pull out of the groove, causing a crack through which grain could leak. Of the remaining 2,000 cars we found 122, or 6 per cent, leaking.

The percentage of leakage on the entire 3,000 cars was approximately 4 per cent. Compare these percentages with one-tenth of 1 per cent on the single-sheathed car. If all box cars were of the single-sheathed type we would have very few leaking cars coming to the terminal markets. Please understand that in compiling these figures I have ignored all grain door leaks, as car construction has no bearing on this form of leakage.

We also made re-sweeping tests on many different occasions but did not find a car of the single-sheathed type that contained enough grain to warrant a re-sweeping.

During my investigation of this subject I visited the car shops of the Milwaukee road, situated in West Milwaukee. The Milwaukee Road builds their own equipment. K. F. Nystrom, the master car builder, with whom I spent a very interesting day, tells me that the Milwaukee road is now building nothing but single sheathed box cars, and that he considers them the best type of cars, not only for grain, but for general service. The original cost is somewhat higher but the reduced cost of maintenance, not to mention the reduction in grain claims, soon pays for the original cost.

The only argument in favor of the double-wall car, so far as I can learn, is that it offers less wind resistance in a moving train. The outside

steel frame of the single sheathed car offers more resistance to the wind than the smooth surface of the double sheathed car, hence more power is required to operate the train.

The single-sheathed car is also considered more desirable for other classes of freight, such as flour and feeds, in fact, any commodity shipped in sack. There are no protruding nail or nail heads on the inside of the single wall car on which the sacks can become torn, which is not true of many double-sheathed cars.

In conclusion, therefore, let me present the following resolution for your consideration:

WHEREAS, investigations conducted by terminal grain weighmasters, and statistics compiled by terminal grain weighing departments indicate clearly that the single sheathed box car is superior to the double sheathed car as a bulk grain carrying vehicle, for several reasons: First, the single wall car when properly constructed of seasoned or kiln dried lumber, is practically leak proof, the number of such cars arriving at terminal markets in a leaking condition being negligible. Second, no difficulty is encountered at unloading elevators in removing all of the grain from this type of car, their being no inner lining behind which grain can become lodged. It is not an uncommon occurrence that a considerable quantity of grain becomes pocketed behind the linings of double sheathed cars and, due to an obstruction in the openings at the bottom of the linings, this grain cannot be removed without first removing one or more of the lining boards.

Third, the unloading operation is facilitated to a considerable degree when single sheathed cars are used; a single sheathed car can be swept clean in less time than it takes to sweep a double sheathed car, due to the fact, mentioned above, that grain lodged between the two walls, and also along the belt rail, must be removed before the car can be pronounced clean.

BE IT RESOLVED, therefore, that the Terminal Grain Weighmasters National Association be unanimously agreed that the single-sheathed box car has demonstrated itself as being the ideal type of car for the transportation of bulk grain, and

BE IT FURTHER RESOLVED that Henry L. Goemann, chairman of the Transportation Committee of the Grain Dealers National Association, be requested to present this resolution to that body for their consideration, and

BE IT FURTHER RESOLVED that the Grain Dealers National Association be requested to place copies of this resolution in the hands of master car builders of the extensive grain carrying railroads, and builders and designers of freight cars, for their consideration when designing and building new cars.

Next on the weighmasters' program was C. A. King, Chief Scale Inspector of the Western Weighing and Inspection Bureau, whose topic was:

CONSTRUCTION OF LOADING SPOUTS

With all the agitation in regard to loading spouts not going through bins, or if so they must be protected, so that in case of a leak, the grain would not run into the bin, but out into the open, so it would be noticed and spout repaired, elevator construction companies are still running them through the bins and not making any effort to protect them. As most of these elevators are being built at country points, and you do not get there until the job is finished and then make a request of the operator to build some protection in the bin, he wants to know why that was not done by the contractor, and he says it is not in the specifications, so all you can do is to insist on the operator leaving the bin open or building a box around the spout in the bin.

I just inspected a new elevator and they had two loading spouts, and a spout going from the elevator to the mill, all running through the same bin, while the spout going to the mill was of heavy wrought iron well casing. Am in hopes of getting some protection around these spouts before they begin to leak.

When loading spout through a bin starts to leaking, it does not take it long to wear into a large leak, and as in a case I had about a year ago, they loaded a string of cars out of an elevator which went to export points, and was unloaded into three different elevators and over 14 different scales, all ran about the same shortages. When checked up at the loading elevator the spout had been patched which they claimed had been on there for a year, but later on they admitted they had patched it after these cars were loaded. This spout ran through a cleaner bin, so bin did not fill up.

A great many of these shortages could be traced to leaking spouts running through bins, and I wish this body would make a recommendation to the National Grain Dealers Association through H. L. Goemann, that they insist loading spouts must be protected when going through bins.

The following resolution was passed as a result of Mr. King's address:

WHEREAS, it has come to the attention of this association that new grain elevators are being designed and constructed, particularly at country points, in such a manner that the car loading spouts pass through one or more bins between scale and car, and

WHEREAS, this type of construction is conducive of loss of grain between scale and car, particularly when no additional protection is provided to prevent the loss of grain, such as an outer well surrounding the car loading spout where it passes through bins.

THEREFORE BE IT RESOLVED, that the Terminal Grain Weighmasters National Association are unanimously agreed that this form of construction is not conducive of accurate weights owing to the possible loss of grain between scale and car, and

BE IT FURTHER RESOLVED, that H. L. Goemann, chairman of the Transportation Committee of the Grain Dealers National Association, be requested to present this resolution to that body for their consideration, and

BE IT FURTHER RESOLVED, that the Grain Dealers National Association be requested to place copies of this resolution in the hands of elevator builders and designers for their guidance when designing and building new grain elevators.

R. H. Monier, of Kansas City, followed Mr. King, with his address:

METHODS OF WEIGHING GRAIN IN THE TERMINAL MARKETS OF MISSOURI

The Missouri Grain Weighing Department has offices and bonded weighmasters in St. Louis, Kansas City, St. Joseph, Sikeston, Springfield, Carthage and Mt. Vernon. The department is doing all it can to improve the standards of weighing of grain and the

scales and equipment of various grain warehouses in the state.

By strict requirements for efficiency and team work we feel Missouri is doing her part toward making the aim of this association for the correct handling of one of the basic commodities of our country possible.

The official title of my office in Missouri is State Warehouse Commissioner, this being established by law in Missouri in 1913. The Warehouse Commissioner is now appointed by the governor for a term of four years, subject to confirmation by the senate. The official weighing of grain at all public and private grain warehouses in Missouri is administered under the jurisdiction of the Warehouse Commissioner. Weighmasters under a \$5,000 bond each supervise the weighing.

The Commissioner fixes the fees necessary to maintain the department, as it is required to be self-supporting. The fees at present are 50 cents per carload and 50 cents per 1,000 bushels for weighing grain for large shipment.

At present 21 public warehouses and 39 private warehouses are supervised in the state. When these are all operating 97 are employed in the weighing department. One man is able to look after two or three private houses, as they do not all operate continuously.

Downstairs weighmasters are required to keep complete seal records, make out thorough car condition reports, estimate inches of grain on all "in" cars as near as possible, showing if car is evenly or unevenly loaded, examine all cars before leaving unloading sinks to make sure that they are swept clean and to report tight linings, holes in car floor or other bad conditions.

On loading out, he must report that cars are fit for grain loading, that grain is swept up and put in car in case of leaky spout or spills (strict attention being given when cars are loaded over an open sink).

He must see that car is properly sealed and weight card attached to car. It is the duty of the downstairs man to keep the upstairs weighmaster informed as to changes in line-up or of cross town cars, set-backs or as to any condition bearing on the identification of the contents of the car. He must furnish upstairs man when car is set for unloading with track number, set number, leg or scale number without delay.

The weight of each draft is taken at center balance and must be checked with house weigher. Upstairs man's record must show date, time, car number, initials, capacity, commodity, shippers' weight, track number, set number, leg or scale number, each draft



H. R. CLARK, RE-ELECTED SECRETARY

with a denominational check and number of hanger weights used in connection with the punched scale ticket and the total amount. The weighmasters must know that the grain handling equipment is in good condition and that the signals are operated properly.

The upstairs weighmaster must know that the scales are in correct balance before weighing each and every draft and must be on the lookout for any defect in the scales and report same to the office at once.

The 157 scales used for weighing bulk grain by our Missouri department are of the track and hopper scale variety, equipped with weight recording devices. These scales, supervised by state weighmasters, are inspected at least every six months by the state scale inspector without any charge to the plants. If special attention is required between the regular inspections, charges are made.

In order to secure the data on their past weighing performances the scales are first tested in the condition as found and the inspector makes whatever corrections and adjustments found necessary to place as many of the scales in accurate weighing order as is warranted by the efficiency of the scale's design, general alignment and condition of the vital parts. To be approved the scales must in all cases be made to weigh correctly within the prescribed tolerances, and every effort is made to reduce to the lowest minimum the use of these allowance limits, so as to maintain more safely the desired weighing accuracy between test periods.

Recommendations in order and information in the matters pertaining to weighing facilities and their proper installation are furnished all interests concerned. No test fees or charges for the inspector's time are assessed against the scale owners.

About 90 per cent of the Missouri state supervised scales are of the hopper scale kind, 43 of which have a capacity of 2,000 bushels and over. Two hopper scale testing equipments are used, each consisting of 10,000 pounds of calibrated cast iron 50-pound weights of approved design. One equipment is operated by means of chain hoists and sealed steel baskets. The test load is applied in two or more multiples, evenly distributed on the scale's four corners, at zero load and with loads of grain ranging up to within 10,000 pounds of the scale's working capacity. Graduated and corner tests are made whenever found necessary.

The 50-pound field standards as well as on the ratio counter poise weights are calibrated every six months and are stamped for identification of their seal.

There are only 17 grain weighing track scales under the Missouri state supervision, 14 of which are of the modern 60 tons per section design. These scales are tested with the United States Bureau of Standards, which carries short wheel base test cars. In connection with these scales, I wish to mention that the railroad in transit weights are a big help in clearing up weight variations between country shipping weights and our out-turn weight. It is hoped that this check weighing program will become more extensive.

The official weighmasters of the department have 21 definite rules set out in the rule book established by the department for them to follow, in addition to the instructions given them by the chief weighmaster for the special handling of grain at the elevator or mill at which they are located.

The weighmasters are given a long and thorough written examination each year at the beginning of the heavy wheat movement. Weighmasters who are found defective in their knowledge of the rules or policies of the department or of the plant at which they are located, are instructed upon these defects after the examination, and if an efficiency is not developed, they are dropped from the employ of the department.

A supervising weighmaster in the field every day makes a report to the commissioner at least twice each month, not only upon the efficiency of the weighmasters and the team work at the various elevators and mills, but also upon the efficiency of the equipment and scales at each plant. If team work is found to be not working smoothly, either with the men of the department or the men at elevators, changes are made to bring about better results.

If weight cards are not being used carefully and leak reports not made thoroughly, together with other details, the Commissioner is advised, among other things, so that the standard of efficiency can be kept up at all times. The supervising weighmaster does not have charge of the assignment of men, but the chief weighmaster in the office, who looks after the records, has this duty. Weighmasters are changed at least once every six months, so that too much intimacy with housemen or indifference will not be encouraged or developed.

The maintenance fund of the Department is required to be self-supporting by the laws governing the department. The statute (Section 6032) provides that:

The chief inspector of grain, the deputy chief inspector, assistant inspectors and other employees in connection therewith shall be governed in their respective duties by such rules and regulations as may be prescribed by the commissioner, and the said commissioner shall have full power to make all proper rules and regulations for the inspection of grain not inconsistent with this article, to include the fixing of charges for the inspection of grain and other duties of said chief inspector, deputy chief inspector and assistant inspectors and samplers and to make rules for the collection of same, which charges shall be regulated in such manner as will, in the judgment of the commissioner, produce sufficient revenue to meet the necessary expenses of the service of inspection and no more.

All fees collected shall be turned into the state treasury, and all fees so turned into the state treasury from the inspection and weighing of grain are hereby re-appropriated to the warehouse commissioner for the purpose of paying all salaries and expenses necessary for inspecting and weighing grain, and paying all other expenses incurred in the administration of the department. All money actually and necessarily paid out by the warehouse commissioner to any inspector, weigher, sampler or other employee as salaries, and all money actually or necessarily paid out by the warehouse commissioner for traveling or incidental expenses or for equipment shall be paid by the state treasurer out of such fees, upon the state containing an itemized account of such auditor's warrant, to be issued upon sworn vouchers, salaries and expenses.

All fees collected shall be paid monthly into the state treasury and become a part of the grain inspection and weighing fund of the state, the earnings of each month to be paid into said treasury on or before the twentieth day of the month following the one during which such fees were earned. Provided, however, that at the end of each biennial period all money remaining in said fund in excess of \$30,000 shall be transferred by the state treasurer into and become a part of the general revenue fund.

This statute was amended and arranged in this way in the last session of the legislature. Previous to that all the surplus of the department was turned over to the state treasurer, but now a revolving fund of at least \$30,000 retained by the department makes possible the reduction of fees so the surplus may be used for the benefit of the department. At the present time the weighing fee of 50 cents per carload is the lowest in the history of the department, for the commissioner feels that the department should be run as economically as possible and at as nearly the cost of operation as can be arranged. It is not considered businesslike to accumulate a large surplus, but on the other hand it is the policy of the department to collect only sufficient fees to make a safe surplus to maintain the department during the dull grain periods of the year and to avoid collecting unnecessary fees from the farmer and the grain trade, who in this way may use the funds otherwise unnecessarily collected for the operation of their private business.

From January 1, 1927, to August 1, 1928, the department has collected \$426,741.50 and has expended \$380,523.30, leaving a surplus of \$46,218.20 in the operation of the inspection and weighing service in connection with the public warehouses in the state of Missouri. During that same period it has collected \$61,378.44 and expended \$50,934.72, leaving a balance of \$10,443.72 in the operation of private grain warehouses in the state of Missouri.

The policy of our department is that a state service should be based upon good business methods, including efficiency, economy and courtesy at all times, and we feel that this should be encouraged through this organization.

In my experience with officers of this work in the nation, I believe that they are high class business men and I value their acquaintance very highly. My experience and my relations with the grain trade has been as pleasant as any I have had in my business career, and I believe that the ethics of the trade is of the very highest. It is our aim at all times to improve the service and give the grain trade accurate weights and dependable information as promptly as possible on the lowest cost.

At the close of his address the speaker exhibited forms used by his department and sample ques-

tions used in the annual examination given to weighmasters.

G. A. Schmitz, Chicago weighmaster, and chairman of the association's scale-garner committee, reported that trade magazines had given splendid publicity to the proper type of garner, and that elevator operators no doubt would benefit by this fact.

Harry R. Clark, of Omaha, Neb., after giving his annual report as secretary-treasurer, was re-elected to be chief weighmaster of all monies received.

DIVORCE OF FEED DISTRIBUTORS AND G. D. N. A. CONSIDERED

An outgrowth of the discussion at the eighth annual convention of the United States Feed Distributors Association, held in Boston, September 24, was the bulletin sent out this month by Secretary Schuh, which asks for a ballot by mail on the following questions:

Shall this association carry on?

Shall it merge its interests with the Grain Dealers National Association?

The Boston convention partially answered the questions by recommending that if the organization was continued, it should establish itself as an independent body. Action will be taken by November 15.

D. J. Schuh, of Cincinnati, read this report as secretary-treasurer, before those assembled:

REPORT OF THE SECRETARY-TREASURER

"Since our seventh annual convention at Omaha your association has progressed financially. Our income was \$350.28 more than during the previous year; \$350 of this additional amount was derived from dues. It does not follow, however, that this increased revenue from dues reflects a corresponding increase in our membership. This is accounted for by some members who were delinquent in their dues for the year 1927 paid the same in 1928.

"During 1928 our expenses did not keep pace with or exceed our income as was the case in 1927, although our expenses were \$14.97 more than the 1927 items. Last year we spent \$948.79, against \$1,509.20 available, as compared with an expenditure in 1927 of \$933.82 against \$1,223.86 available. Our balance in bank is \$560.41, as compared with \$290.04 at the close of our fiscal year 1927. Our present balance of \$560.41 would be \$20.16 less

to our requests for payment of dues,' and I thank our members for their help in this respect, since it lightens the work of my office. Inasmuch as our dues are so little and the business of our members of such tremendous volume, it is surprising that our humble request was not entirely overlooked.

"Despite the small amount of correspondence necessary to the collection of dues, your secretary's office was kept reasonably busy with the detail incident to the proper conduct of your association's affairs. The past year has been a very busy one in the management of my regular official affairs and I had to delegate all of the association's detail work to the Cincinnati Board of Trade office force and give to it only general supervision. I am happy to be able to report to you that these details were taken care of efficiently, and when the records are turned over to my successor he will find them in splendid condition. Notwithstanding the condition referred to, I personally conducted the correspondence of your association, and whenever items of general interest were brought to our attention, they were transmitted to you in circular letters.

"After three years in the office of secretary-treasurer I pass the quill to my successor with mingled feelings of pleasure and regret, but in so doing another human trait comes to the fore, it is 'hope'. I want to express the hope that from year to year your association will grow and progress. Three years ago I made the statement that little excuse was apparent for the existence



M. C. BURNS, RE-ELECTED PRESIDENT

of this association, and now I am compelled to admit that you have many good reasons for continuing, and I hope that every member will firmly resolve and faithfully carry out the determination to make the United States Feed Distributors Association bigger and better."

Secretary Schuh, in recognition of his efficient service during the past three years, was voted \$100, as a slight token of appreciation. All officers were re-elected, and retained as members of the directorate, which board now includes: John H. Caldwell, St. Louis; W. O. Fehling, Philadelphia; G. W. Hoyland, and Jerry Parks, Kansas City; L. C. Newsome, Pittsburgh; C. J. B. Currie, Boston; E. C. Dreyer, St. Louis; W. G. Mish, Washington, D. C.; and J. W. Juneau, Milwaukee.

If this association is unable to establish itself as a separate body, it is hoped that it can be permanently merged with the G. D. N. A., with an understanding that the parent association will change its name so as to include the word "Feed."

GRAIN INSPECTORS OPPOSE CAPACITY LOADING

Lee D. Irving, of Louisville, Ky., was elected president of the Chief Grain Inspectors National Association, when it convened in Boston, September 24, for its twenty-seventh annual meeting. This convention, held in conjunction with that of the Grain Dealers National Association, also resulted in the election of David H. Larkin, of Baltimore, Md., as vice-president, and Paul Larson, of Sioux City, Iowa, as secretary-treasurer.

A. A. Breed, of Milwaukee, 1927-28 president of the organization, opened the meeting with remarks on the subject of the benefit derived by members of this organization, through the general interchange of ideas.

H. L. Goemann of Mansfield, Ohio, chairman of the Grain Dealers National Association's Committee on Transportation, then addressed the inspectors on the subject, heavy-loading campaign being conducted by the railroads, and the remedy

for that campaign. As a result of his talk, the following resolution was passed:

Whereas, The American Railway Association through its car service division has instituted a campaign throughout the grain shipping territory to increase the average load of grain placed in cars, and Whereas, the advertising matter issued by the A.R.A. seems to be designed to vitiate the existing tariffs of the carriers that take into account the necessity for allowing 24 inches of space between the surface of the grain and the roof of the car to permit proper sampling.

Therefore, be it resolved that it is the unanimous opinion of the Chief Grain Inspectors National Association, in convention assembled, that the practice of loading cars of grain without due consideration for allowing sufficient space above the surface of the grain to permit sampling will result in an endless number of situations inimical to the best interests of the grain trade of the country, as improper and inaccurate samples of grain cannot fail to result in costly errors in grain inspection.

Be it further resolved, that it is the consensus of this meeting that any movement on the part of the A.R.A. suggesting to grain shippers that they ignore the 24 inch loading rule should be strenuously opposed.

Following this action, some discussion developed on the inability of inspectors to grade out from terminals No. 2 White oats which had been graded in as No. 2 before the grade reduction rule had been effected by the Federal board of appeals.

By resolution, the association expressed its regret at the illness and consequent absence of Chief Grain Inspector Fears, of Kansas City, Mo.

CONVENTION CALENDAR

October 23.—Ohio Grain Dealers Association, at the New Southern Hotel, Columbus, Ohio.

October 30, 31, November 1.—Silver anniversary convention of the Nebraska Farmers Grain Dealers Association, at the Hotel Rome, Omaha, Neb.

November 1-2.—Twentieth annual convention of the Association of Feed Control Officials of the United States, at the Hotel Raleigh, Washington, D. C.

December 11-13.—Annual meeting of the South Dakota Farmers Elevator Association, at Mitchell, S. D.

G. D. N. A. TO GO TO PEORIA IN 1929

Secretary Charles Quinn has announced that the Board of Directors of the Grain Dealers National Association held a meeting immediately after the convention in Boston last month, and decided that Peoria, Ill., would be the scene of the 1929 convention. The headquarters hotel and the dates of the convention will be determined later and will be announced when necessary action has been taken by the officers and directors.

OHIO MEETING IN COLUMBUS

A notice from Secretary W. W. Cummings states that the regular fall meeting of the Ohio Grain Dealers Association will be held Tuesday, October 23, in Columbus, Ohio. The noon luncheon will be held at the New Southern Hotel, and J. Ralph Pickell will talk about the grain markets and several other speakers who are nationally known will address the Ohio dealers. President Edgar Thierwechter states in his official announcement that non-members are welcome, and that it is hoped there will be a large attendance.

ILLINOIS DISTRICT MEETINGS POPULAR

A number of district or regional meetings have been arranged by the Illinois Grain Dealers Association in the last few months, and Secretary W. E. Culbertson has been kept busy visiting various parts of the state and conducting these gatherings. The results have warranted the continuing of this policy, and it has been found that the close contact established between members at these group meetings is often the means of bringing about amicable adjustments and better understandings that it would be far more difficult to arrive at if the larger annual state meeting were depended upon entirely for such co-ordination of activity in the trade. The officers of the Illinois organization have been very active throughout the state this year, and the results have made them feel satisfied that their work is of a constructive nature.

FEED OFFICIALS TO MEET

With headquarters at the Raleigh Hotel, Washington, D. C., on November 1 and 2, the twentieth annual convention of the Association of Feed Control Officials of the United States will be held. Round table discussions will be had the morning of the first day and this part of the program will be limited to association members only. In the afternoon, President P. H. Smith, Amherst, Mass., will deliver his annual address, and there will be talks



SECRETARY D. J. SCHUH

if we had not received interest on daily balances.

"The figures as to the status of our membership are rather interesting, while not so flattering. At the beginning of the year we had 102 members, which included the new members elected by your Board of Directors on the day of our last annual meeting. Thirteen resignations were received last year, and of that number 10 became effective, while three will become effective on the dates indicated in the membership list placed in your hands today, unless we can cause those firms to reconsider. Eleven new members were admitted during the year. As of today we have 103 members, or a net increase of one member, as compared with the close of our fiscal year 1927.

"Our records present a picture of remarkable success in the matter of collecting dues. That, however, is a false light on the subject. The actual situation in most instances was 'ready responses

by Dr. E. M. Nelson, Bureau of Chemistry and Soils, on "Cod Liver Oil in Feeds," and G. L. Bidwell, of the cattle food laboratory of the Department of Agriculture, on "Sampling of Feed." Others who will talk on the following morning include: Dr. E. B. Forbes, Institute of Animal Nutrition, Pennsylvania State College; W. E. Suits, president of the American Feed Manufacturers Association, Chicago, Ill.; and Lynn Townsend, secretary of the New England Retail Grain Dealers Association.

THE GRAIN MARKET SITUATION

By G. A. COLLIER

The Grain, Hay and Feed Market News Service Bureau of Agricultural Economics, U. S. Department of Agriculture.

Domestic grain markets have shown considerable steadiness during the last half of September and the first half of October notwithstanding the probable abundant supplies. Wheat prices have held firm despite slight increases in the domestic crop estimate and confirmation of larger supplies in other countries of the Northern Hemisphere. Feed grains have also held firm with active demand for current supplies offsetting the influence of more liberal offerings of new crops. Flax was sharply higher at the principal markets with a fairly active demand for moderate arrivals.

Relatively few changes occurred during the last month in the domestic grain crop situation. Excessive rain hurt all growing crops in the South Atlantic States and frost injured some late varieties of corn and flax along the northern border, with more or less local damage near the southern limits of the Ohio and Missouri Valleys. The generally dry weather in the Central States and Southwest while unfavorable for certain crops has facilitated the harvesting of grain crops and helped to mature the corn.

The United States wheat crop is now placed at 903,865,000 bushels compared with 872,595,000 bushels harvested last season and 807,378,000 bushels the five-year average production for 1922-1927. This estimate is not quite 3,000,000 bushels over the forecast of September 1. Yields are somewhat higher than expected in Minnesota and South Dakota but lower in North Dakota.

The amount of wheat which the United States may have for export this season is estimated to be from 200,000,000 to 225,000,000 bushels, consisting mainly of Hard Red Winter and Durum wheat with smaller quantities of Hard Red Spring and White wheats. The supply of Hard Red Spring wheat is now estimated at around 203,000,000 bushels, or only slightly above the domestic milling requirements. Top grades of this wheat usually sell to domestic milling interests at premiums over the ordinary grades. Trade advices indicate that practically no No. 1 Northern Spring wheat is offered for export. There may, however, be small quantities of medium grades of Spring wheat exported, but these will probably not account for as much as 10,000,000 bushels. White wheat production is placed at 85,000,000 bushels and from this quantity some 30,000,000 bushels may be available for export to foreign countries or for shipment to eastern milling interests to supplement the shortage of Soft Red Winter wheat. The Durum wheat crop estimate in the principal producing states remains unchanged at 85,000,000 bushels and probably one-half of this will be available for export. The dull export demand for this wheat as the result of favorable harvests in foreign producing countries, including North Africa, Italy and Canada, may result in larger quantities being retained within the United States. Production of Soft Red Winter wheat remains unchanged at 139,000,000 bushels but as this quantity is below the usual domestic requirements probably little or none of this wheat will be available for export. Hard Red Winter wheat production is also unchanged at 386,000,000 bushels and this class of wheat will probably make up more than half of the total United States exports for the coming year. The foreign market demand for Hard Red Winter wheat, particularly in the latter part of the year, will be influenced largely by the supply of wheat available from Argentina.

Latest estimates of the 1928 wheat crop in 31 countries of the Northern Hemisphere is approximately 228,000,000 bushels greater than that of last season when these countries accounted for about 85 per cent of the estimated world total production outside of Russia and China. The crop in the Southern Hemisphere will be an important factor in the world's wheat market, particularly later in the season. Generally favorable rains in the northern and central parts of Argentina were recently reported. The September estimate of the 1928-29 wheat area in that country is reported at 20,757,000 acres against 19,714,000 acres harvested last season. This is the largest wheat acreage reported in Argentina. Conditions for germination and growth of the crop so far have been favorable but the final outturn will be determined largely by the next two months' weather conditions. Unofficial trade advices place the Australian wheat crop at about 152,000,000 bushels, which is nearly 40,000,000 bushels greater than the harvest of 1927-28. However, as the crop in that country must yet pass through the critical period, it is too early for definite assurance of the final outturn. Recently light showers occurred in Australia but additional rainfall is needed, especially in the eastern wheat growing regions, but conditions are reported satisfactory in the Western States.

NORTH AMERICAN WHEAT MOVEMENT HEAVY AND STOCKS LARGEST ON RECORD

Heavy marketings of wheat in North America during the first part of the crop year with only moderate demand has resulted in considerable accumulation of stocks. Visible supplies of grain in both the United States and Canada are the largest on record at this date of any year for which statistics are available. The larger supplies in North America have more than offset the reduction in the Southern Hemisphere and world stocks as measured by trade estimates of available supplies in the principal exporting countries are also very large. The visible supply of wheat in Canada, including Canadian wheat in store in the United States, totaled about 75,662,000 bushels near the close of September as compared with 23,852,000 at the corresponding date a year ago and 44,665,000 for October 1, 1926. Stocks of wheat in store in the western grain division of Canada on October 5 were over 86,000,000 bushels against about 31,000,000 bushels at the close of the first week of October, 1927. All previous records of deliveries at country elevators are being broken. Receipts at country elevators during the week ending September 21 were 46,457,000 bushels, or about 11,000,000 bushels more than the total receipts during September, 1927. However, receipts during the week ending September 28 declined somewhat and totaled only 38,000,000 bushels.

Early arrivals of Canadian grain this season have shown material improvement in quality over those received last season, although trade and official reports indicate considerable lowering of grades in the late sown grain as a result of frost damage during August, which was most severe in southern Saskatchewan and Alberta. The quality of the wheat crop was recently officially announced as the lowest in recent years. Fall and Spring wheat were reported as 95 per cent of the 10-year average. Threshing returns indicate that frost has done some damage, particularly to grades. Inspection of Canadian wheat in the western division during August of this year showed about 47 per cent of wheat graded No. 3 Northern or better as against 32 per cent for the corresponding period last year. Total inspections in the western division for the 1927-28 season showed about 31 per cent of the wheat inspected graded No. 3 or better against nearly 35 per cent during the 1926-27 crop year and 63 per cent of the 1925-26 crop. The quality of the Canadian crop may be said to be normal when approximately 80 per cent of the grain is No. 3 or better, according to trade information.

Arrivals at the principal United States markets from the first of July to October 8 were about the same as for the same period last season, but a

decrease of nearly 38,000,000 bushels in exports for this period largely accounts for the increase in commercial stocks in store, which on October 6 totaled 122,122,000 bushels compared with 87,139,000 near that date a year ago.

The domestic wheat market was not materially changed during the first part of September but advanced to new levels at the close of the month. Near mid-September the congested marketing situation at Duluth made it necessary for much wheat at diversion points to be routed to Minneapolis and caused some accumulation in the Spring wheat markets. However, the domestic Spring wheat markets during the first week of October maintained a firm tone although liberal receipts and an indifferent mill demand weakened cash premiums 2 cents to 5 cents at Minneapolis and 3 cents at Duluth. High protein wheat declined sharply as prices were well maintained on 11 to 12 per cent protein wheat by a rather steady elevator demand. Twelve per cent protein No. 1 Dark Northern was quoted at the close of the market October 9 at Minneapolis at the December price to 3 cents over the December price of \$1.13½. Thirteen per cent was bringing 7-12 cents and 14 per cent 15-20 cents over the December price. The Hard Winter wheat markets were generally steady during the month and protein premiums held practically unchanged although some decline was noted near the end of September. During the first week of October the cash market was in general slightly higher but weakness in premiums caused generally unchanged prices for protein wheat of milling quality. Poor milling demand was largely responsible for large stocks of wheat in store at the mid-western markets at the close of the first week of October. No. 2 Hard Winter 12 per cent protein was quoted at Kansas City October 9 at 1¾ cents under to ½ cent over the December price of \$1.12¼; 12½ per cent protein was bringing from ¼ cent to 2¼ cents over and 13 per cent 1¼ cents over to 3¼ cents over the December price. Soft Winter wheat has continued relatively firmer than other classes of wheat. Better grades of this wheat were in good demand and large premiums were easily maintained. No. 2 Red Winter was quoted at Kansas City on October 9 at \$1.39-1.40 per bushel.

HIGH MILLING QUALITY DURUM WHEAT IN GOOD DEMAND

The 1928 Durum wheat crop in principal producing states was estimated as of October 1 at 84,885,000 bushels against 6,755,000 bushels harvested last season and the five-year average production of 1922-26 of 61,702,000 bushels. Good quality milling Durum wheat continued in active demand and prices held relatively steady. Low grade, smutty Durum has been moving slowly. In contrast with the decline in premiums on Spring wheat during the first week in October Durum wheat premiums were strong to higher as offerings of good milling Durum were light and milling demand was good. No. 1 Amber and No. 1 Mixed of satisfactory color testing 12 per cent protein was quoted at 8-14 cents over the Duluth October price which closed October 5 at \$1.00½; 13 per cent protein was bringing 11-22 cents over and 14 per cent 22-40 cents over the Duluth price. Prices on the average are now lower than a year ago, reflecting this season's large crop and slow export demand.

Grinding of Durum wheat for human consumption during recent years have shown an upward tendency and as reported to the United States Department of Commerce and totaled approximately 15,000,000 bushels last season. The approximate total annual grindings of Durum wheat for consumption, including grindings in mills grinding other than Durum wheat, had been placed at 20,000,000 to 23,000,000 bushels by trade authorities. A somewhat smaller amount is used in various mixed feeds, the quantity varying from year to year, depending upon the supply of this wheat available and the prevailing price level. Mixed feed manufacturers are reported to have increased the proportion of Durum wheat in mixed feeds for the current season in some instances as much as from

15 to 23 per cent. This will probably result in an increase in the domestic requirements of Durum wheat for the current season. However, prospects of increased competition in European markets from North African and Canadian Durum wheat and from native wheat in Italy are weakening factors in this season's Durum wheat market situation.

The wheat crops of three North African countries, Morocco, Algeria and Tunis, where a large proportion of the harvest is Durum wheat, totaled about 64,301,000 bushels, according to latest estimates, or about 3,000,000 bushels above last season's outturn. The Italian wheat crop was estimated to be about 40,000,000 bushels larger than last season but the reduced demand from that country may be partially offset by increased exports to France. With increased yields in Canada, the Canadian Durum crop will probably exceed last year's harvest since Durum acreage harvested this season is only slightly less than last year, according to private reports. A recent provisional report from Manitoba indicated that approximately one-half of this season's wheat crop of around 55,000,000 bushels in that province is Durum. Total inspections of Durum in the western inspection division of Canada for the crop year 1927-28 amounted to slightly more than 11,000,000 bushels. This was the largest amount inspected in recent years.

Prices of wheat in foreign markets declined to the lowest levels of the season during the first half of September. Since that date prices have become steady and at many markets are higher than at mid-month. Good milling quality native wheat at Hamburg was quoted on October 5 at \$1.46 per bushel. French wheat at Paris was quoted at \$1.60½. Native wheat in Denmark was bringing \$1.16 per bushel. Spot Durum was quoted at Genoa at \$1.26 on that date and American Amber Durum c.i.f. Marseilles at \$1.26½.

RYE MARKET STEADY

Rye markets have held generally steady during the month of September notwithstanding the moderate receipts and small domestic supplies. Best quality rye for milling purposes has moved readily at firm prices but the demand for lower grades was only fair. Export inquiry has been less active probably largely as the result of increased yields in important producing countries. Apparently the unusually favorable growing weather more than offset the effect of reduced acreage resulting from heavy winter-killing early in the season. However, during the first week of October the rye markets developed a somewhat stronger tone as export inquiry became more active and a fair demand was evident from the milling interests. The quality of the crop this year is also reported to be above that of last season when a large proportion was suitable only for animal feed. Commercial stocks of rye in the United States totaled on October 6 about 3,128,000 bushels as compared with 2,502,000 for the corresponding date a year ago. However, exports since the first of July to October 6 were only 3,758,000 bushels as compared with 11,413,000 bushels for the corresponding period last year.

The 1928 rye production in 21 countries is now placed at 874,961,000 bushels against 824,734,000 bushels in those countries in 1927 when they represented over 90 per cent of the estimated world crop outside of Russia and China. The increase in these countries, however, is offset by the lower estimate of production in Russia, their crop being estimated to be about 184,000,000 bushels less than last season's harvest. Rosen quality rye was quoted at Minneapolis on October at 5-7 cents over the December price of 98 cents. No. 2 rye was quoted at the close of the market at Minneapolis, October 9, at 97 cents-\$1.02.

CORN MARKET FIRM AS SUPPLY IS SMALL

Corn prices held steady during September at lower levels following the sharp decline on September 22 which resulted from the liquidation of September contracts and more liberal offerings of new crop grain. During the first week of October corn prices advanced sharply influenced by a good cash demand for the light stocks and limited offerings. Stocks of corn in store at the principal markets on

October 6 totaled 5,491,000 bushels as compared with 22,622,000 bushels near that date a year ago. This season's stocks are the smallest in store since the latter part of 1925.

The United States corn crop of 2,903,000,000 bushels was indicated by the October 1 condition of 77.7 per cent, which is about 5 per cent above the 1927 crop of 2,774,000,000 bushels. About 74 per cent of the 1928 crop is concentrated in the 12 North Central States as compared with 69 per cent last year. This year's output is about 36 per cent above last year's in the Corn Belt States east of the Mississippi where production was unusually low a year ago and only slightly above last year in the western Corn Belt. A large crop is indicated in the North Atlantic States, a decrease of 18 per cent for the South Atlantic States and a decrease of 15 per cent for the South Central States.

Feeders and industries continued to be the principal buyers both in the markets and at interior points. New corn was being offered at the close of the first week of October in northern Oklahoma for shipment in 10 days while rather liberal movement was reported in the southern part of the State. New crop arrivals have been reported at Chicago and Kansas City. The first car of new corn arrived at Kansas City on October 9 grading No. 4 Yellow and testing 19.2 per cent moisture. This was the earliest new corn received since 1916, according to trade reports. The first car of Nebraska corn was received at Chicago on October 9, graded No. 4 Yellow, tested 18.5 per cent moisture and weighed 52 pounds. No. 2 Yellow corn was quoted at Chicago at the close of the market October 9 at \$1.03-1.04½ per bushel and at Kansas City at 99½ cents-\$1.01. No. 3 Yellow was quoted at Chicago on the same date at \$1.02½-1.03 and at Kansas City at 99-99½ cents per bushel. No. 2 Mixed was quoted at Chicago at 95 cents per bushel.

OATS MARKET FIRM

The oats market developed a somewhat firmer tone during the month with offerings of only moderate volume and demand fairly steady. A large percentage of this season's crop is apparently being required to replenish exhausted farm stocks since receipts at the markets have been little larger than a year ago. Since the first of August, however, market stocks have been accumulating and at the close of the first week of October slightly over 17,600,000 bushels were reported in store at the principal markets as compared with about 27,074,000 bushels in store a year ago. Shippers and elevators have been active buyers, mainly of top grades, and all good quality offerings moved readily. Some low quality oats were being used by mixers with linseed meal in the Northwest, according to trade reports. No. 3 White oats were quoted on October 10 at Minneapolis at 41½-42¼ cents per bushel, Chicago, 38¼-40¼ cents, and at Kansas City, 43-44 cents per bushel.

Production of oats was estimated as of October 1 at 1,452,966,000 bushels, which is practically the same as the forecast of a month ago but about 269,000,000 bushels greater than the 1927 harvest. Reductions from the September estimate were shown in the North Atlantic States and were offset by increases in the rest of the country. The quality of this season's harvest is slightly higher than the 10-year average quality, being reported at 89.1 per cent with the 10-year average quality 86.4 per cent.

BARLEY MARKET ALSO STEADY

The barley market held fairly steady notwithstanding liberal offerings and the prospective large supply. The total production of barley in 1928 in 30 countries which last year raised almost 79 per cent of the Northern Hemisphere harvest is now placed at 1,356,101,000 bushels, an increase of 17.7 per cent over the 1927 production. The official estimate of acreage sown to barley in Argentina is 1,277,000 acres, an increase of 7.7 per cent over that sown last year and is the largest area on record. The United States and Canadian barley crops are the largest on record, the combined production being about 36 per cent above the large harvest of last year. Yields of barley appear to have averaged fully up to expectations in the United States and the crop was estimated as of October 1 at 350,593,-

000 bushels, which if realized will be about 86,201,000 bushels above last year's outturn, the largest harvest up to that time. The quality of the barley crop is below the usual average in the eastern Corn Belt but has been up to the usual standard elsewhere. Nearly half of the new crop barley had been threshed by the middle of September in Manitoba and Saskatchewan while in Alberta about one-third of the barley had been through the machines. Total exports of barley from the United States, Canada, Argentina and the Danubian countries from July 1 to the last dates available have amounted to 33,610,000 bushels against 27,067,000 bushels for the same period last year. Barley exports from the United States from July 1 to the close of the first week of October totaled 25,119,000 bushels, compared with 14,360,000 for the corresponding period last year.

Active inquiry in the first part of the season, according to trade reports, has been principally responsible for the firm market situation for barley. Small stocks and high prices of corn have also contributed to the strength in this market. Stocks in store at the principal markets have increased materially during the past month and at the close of the first week of October were 10,926,000 bushels compared with about 5,648,000 bushels a year ago. Best malting types of barley were quoted on October 10 at Chicago at 64-74 cents per bushel and feed barley at 56-60 cents per bushel. Choice to fancy malting barley was quoted on the same date at Minneapolis at 65-67 cents per bushel.

HAWKEYE HOUSE IN HOOVER'S HOME TOWN FORCED TO SHIP IN CORN

Herbert Hoover, Republican nominee for president, is proud of his birthplace, West Branch, Iowa. He should be, for this Cedar County town is in many respects a model community. Its elevator, the consolidated school, the four churches, two banks, and new postoffice are landmarks which serve as signals to any observer that here is one of the most modern and prosperous of small American towns. Hoover's parents, among the old-time residents of this town, brought with them from the east the traditional William Penn ideals of simplicity, honesty, and thrift. As a result of the village founders' ambition and good, hard work, great prosperity was gained. And this prosperity has been held on to and increased by the present residents of West Branch.

There never has been a bank failure in Cedar County. When other sections of the state were hard hit by inflated land values, and an excess of "corn paper" in their banks, West Branch and other communities reaped the benefit of their training in conservatism.

H. L. Moorehead is proprietor of the West Branch Feed & Grain Company, and has built up an annual volume of trade amounting to about \$150,000. This independently operated firm nine-bin elevator of 10,000-bushel capacity, and a feed department worthy of a much larger plant. One attrition mill and a hammer mill provide grinding facilities for the feed grains received, while a complete line of Purina feeds is carried to meet the demands of the local balanced ration trade.

Five electric motors, rated at 97 horsepower, furnish the power for the grain cleaner, the Barnard & Leas Corn Sheller, the elevating apparatus and the grinders. A 300-pound automatic scale has been installed. Although this company is practically in the center of the state wherein the tall corn grows, Mr. Moorhead reports that he has had to ship in 60 cars of corn since January 1, for local use. Cedar Rapids, however, and other dependable terminal points, are within easy reach.

Seed, salt, and tile, as well as feed, are handled by the West Branch Feed and Grain Company.

West Branch has well paved, well-lighted streets, and Mr. Moorhead speaks of the "fine community spirit." This probably will show itself this November in the form of a unanimous vote for Hoover, native son.

NEWS LETTERS

LOUISVILLE

A. W. WILLIAMS - CORRESPONDENT

LATE September and early October business was reported as quiet by local elevator men and grain handlers, it being reported that while storage was fair, there wasn't a great deal of grain being handled. However, with new corn beginning to roll, it was believed that business would be more active.

Grain handlers commented on the fact that carloads of new corn had arrived at St. Louis, Indianapolis and Chicago, on or before October 3, of this year, whereas last year the first reported car was on November 5. Reports also show that new corn is unusually free of moisture, and grading No. 4.

With a continuation of the fine, dry weather, experienced in August and September, it was predicted that Kentucky and southern Indiana corn would be on the Louisville market by October 10, or earlier. Last year's crop was quite moist, and not of good seed quality, with the result that this past spring there was a considerable demand for seed corn. Handlers claim that new corn is needed, as old corn is high and scarce.

Dealers report that demand for grain has been light due to the country now having new corn, summer oats, hay and ensilage. There has been a fair demand for No. 2 old corn for immediate shipment, but very little demand for anything else. Country mills have been buying some wheat, but principally for later delivery, and have been slow in taking deliveries. However, there is more wheat moving to rural Kentucky and Indiana this year due to the very poor production the past season.

F. C. Dickson, of the Kentucky Public Elevator Company, remarked that while the company had about 500,000 bushels of grain in hand on storage, consisting of 300,000 bushels of oats; 100,000 of wheat and 100,000 of corn, things seemed very quiet, on account of very small daily handlings, there being very little stuff either inbound or outbound.

Movement of seed wheat this fall has been good. Grain dealers have been selling seed wheat at around \$1.62 a bushel. Seedsmen clean it up and price it at \$2.25 a bushel, in less than carlots. The farmers lost their seed wheat last winter, when the crop was frozen out, and there has been a good movement of seed wheat this fall, in fact the largest in many years. Seed rye, barley and winter turf oats have also been in demand. There has also been fair movement in Timothy seed, but very little Clover. Hay has been relatively quiet, although there is plenty of it, except in Clover, which isn't even quoted, as none is to be had. Prices on track in Louisville, carlots, baled, show No. 1 Timothy, \$20 a ton.

Feed demand is just fair. Bran is priced at \$32.50 a ton, sacked, in carlots; mixed feed, \$34.

John Green, of H. Verhoeff & Co., Lee Irving, chief grain inspector of the Louisville Board of Trade; and Lee Callahan, of Callahan & Sons, Louisville, were in Boston September 24 to 26, for the Grain Dealers National Association meeting.

D. P. Campbell, for several years with the Lewis Implement & Seed Company, starting as a seed analyst, and later becoming vice-president, has resigned and on October 1, went with C. M. Scott, in the Scott Seed Company of New Albany, Ind., where he plans to do a good deal of traveling. The company does an exclusive wholesale business in seed grain and seeds. Campbell entered the seed business after taking a special course at the University of Kentucky. During the war he was in the service and on board dirigibles in convoying Atlantic Coast vessels.

It is reported that W. A. Thomson & Co., local grain elevator operators, have been after and secured a fair amount of wheat storage this fall.

The Ross Seed Company, Louisville, recently completed removal of the business from the old plant on Second Street to its large new plant on Fifteenth Street, at Lytle, where it has much larger floor

space and better general facilities. This made Fifteenth Street an important seed center, in view of the fact that the Louisville Seed Company, one of the largest jobbing concerns, is right across the street from the Ross concern.

The office of Brandeis & Co., carlot grain dealers, has been closed. Following the death of the late Alfred Brandeis it was decided to wind up the business, and this was done on short order.

John M. Hanrahan, assistant secretary of the Kentucky Public Elevator Company, in less than a month has lost a brother and mother. On September 10, his brother, Humphrey L. Hanrahan, 38 years of age, chief clerk in the overcharge claim department of the Louisville & Nashville Railroad, died following an operation for appendicitis. On October 4, his mother, Mrs. Margaret Hanrahan, 65 years of age, died, having been in failing health for a year.

Interest was manifested in the recent citing of four members of a wholesale grocery concern to appear before the Federal commissioner, on charges of knowingly selling sugar, yeast and other supplies to an individual for making liquor in violation of the law. A quantity of stuff was sold to a man in July and again in August, after he had been arrested and a still seized. However, it looks as if it would be rather hard to prove any complicity. In the same way there is considerable rye shipped to sections of the state, where the buyers purchase seed rye, which costs a little more, but which attracts no attention, whereas if it was billed and shipped as commercial rye it would. One seedsman last year remarked that a considerable amount of seed rye shipped each season would never be planted, as it was not purchased for seed use. It doesn't appear as though a merchant should be expected to push a man in the face and refuse to sell him merchandise unless the buyer specifically stated that it would not be used for any illegal purpose.

BUFFALO

ELMER M. HILL - CORRESPONDENT

NEW grain from shipping points on Lakes Michigan and Superior is moving down the Great Lakes to Buffalo and via the Canadian route through the Welland Canal to Montreal at a very rapid pace this month. Some time was lost by the fleet earlier in the month due to thick weather at the Soo and lower rivers so that boats were late in reporting at both ends of the route. For several weeks, daily receipts at Buffalo terminal elevators have been in excess of 2,000,000 bushels daily. The grain rate from the head of the Lake Superior to Buffalo for early loading has been advanced to four cents a bushel and all the tonnage being offered by vessel owners is being taken. Some steamers have been chartered to load at the Head of the Lakes to Buffalo for the first half of November at 3¼ cents but most boats are getting the four-cent rate. There also has been some chartering for winter storage cargoes at Buffalo.

What is regarded as a new record for unloading grain at Buffalo was established early this month at the lake and rail elevator of the International Milling Company, when 424,876 bushels of barley were unloaded from the steamer A. A. Augustus in 10½ hours. The new record exceeds by 460 bushels an hour the previous high mark of 40,000 bushels an hour. The Augustus' cargo loaded into four holds was worked out under normal conditions. Milton B. Whittig, superintendent of the elevator, says this record probably will stand throughout the season and is indicative of the high speed unloading facilities of a modern grain elevator.

Traffic in the east division of the New York State Barge Canal was halted late last month while engineers were raising a loaded grain barge which sank in the channel near Troy. Eastbound traffic was tied up near Waterford. The barge carried 575

tons of wheat eastbound from Buffalo. The delay was so slight that there was no prolonged tieup of grain carriers on the state waterway en route to the seaboard.

James Playfair, vice-president of the Valley Camp Coal Company, of Port Colborne at the Lake Erie entrance to the Welland Canal, announces the purchase of the Sarnia Elevator, Ltd., at Sarnia. Transfer of private stock of the company to the Playfair interests has been completed, according to reports in elevator circles.

The fall grain rush from Port Arthur and Fort William at the Canadian head of Lake Superior is having a very stimulating effect upon the Great Lakes grain carrying trade and is being felt at terminal elevators, not only at Buffalo but at Port Colborne and Montreal. With 29,000,000 bushels of grain taken into country elevators near Fort William late last month, visible wheat in the western inspection district has been increased to 32,326,586 bushels, as compared with 12,500,000 for the corresponding period of last year. Early this month it was reported 7,000,000 bushels of grain were added to the stocks in store at Fort William, making total stocks at that shipping point of more than 14,500,000 bushels.

With the sinking of the Norwegian steamer *Doris* in the Welland Canal connecting Lakes Erie and Ontario on the Canadian route to Montreal, traffic over the waterway was brought to a complete halt late last month, resulting in a congestion of grain at the Port Colborne elevators. As the grain movement was at its peak, officials estimated the tie-up would cost thousands of dollars in actual loss to the Canadian grain carrying fleet. No estimate could be made regarding the probable loss in late marketing of the wheat. On one occasion there were 30 down-bound grain carriers tied up at Port Colborne waiting to pass through the canal. These boats held upwards of 3,500,000 bushels of grain. The effects of the disaster were felt at Montreal when receipts dropped to practically nothing. It required about five days to raise the boat and repair the damaged section of the canal.

Plans for the construction of a 300-foot grain carrier to be operated on the New York State Barge Canal between Buffalo and tidewater elevators at New York and along the Atlantic Seaboard have been made by J. Patrick Loughlin, port captain at the Buffalo terminal of the W. E. Hedger Transportation Company, which for many years has been engaged in the movement of grain over the state waterway. The new boat would be built in two sections, designed to overcome all navigating obstacles and to provide the cheapest and most effective means of transporting grain from Buffalo to the seaboard. Such a craft would be able to carry 100,000 bushels of grain. The carrier planned by Captain Loughlin would be 300 feet overall, 40-foot beam and 14 feet deep, powered with Diesel motors. The first section would have a capacity of 50,000 to 65,000 bushels while the second section would carry about 35,000 bushels. The two sections would be locked together after passing through the locks. Boats of this type could be built of steel at a cost of approximately \$165,000. The hatches would be so designed that the cargo would not have to be trimmed after loading.

Arthur W. Harold, one of the best known grain merchants in Buffalo, who for 35 years had operated actively in the Buffalo grain market, is dead. He was 58 years old. Mr. Harold died suddenly of a heart affliction. Besides his widow, Mr. Harold is survived by a daughter, Mrs. Arthur O. Harris. Mr. Harold had offices in the Chamber of Commerce Building.

Ex-lake grain rates in carlots from Erie, Pa., to Baltimore for export are unreasonable and are prejudicial to Baltimore to the advantage of New York, says a report made to the Interstate Commerce Commission as the result of a survey made in the case of the Baltimore Chamber of Commerce against the Ann Arbor Railroad Company involving differentials in rates on ex-lake grain to the Atlantic Seaboard. The controversy over port differentials is one that has long been pending. Under the report of the examiners no changes in rates on all-rail or ex-lake grain to New York are contemplated

but it was found that present tariff charges are unduly prejudicial to Baltimore.

* * *

With the opening of the enlarged Welland Canal within a short time, the question arises whether or not the elevator facilities at Port Colborne, at the Lake Erie entrance into the waterway are sufficient to accommodate the increased trade that the canal will attract. Even at the present time with the existing canal which will accommodate only the smaller boats, the elevator at Port Colborne is frequently clogged with grain. The locks in the new canal are 830 feet in length and will accommodate boats with a 30-foot draft.

* * *

About 75 salesmen for the Ralston-Purina Company, from New York State and New England territories held a two-day conference at the Hotel Statler in Buffalo early this month. The conference also was called to honor William Sample of St. Louis, vice-president in charge of sales. Mr. Sample has 900 salesmen under his jurisdiction and is celebrating his twenty-fifth anniversary with the firm. George F. McMillen of Buffalo, eastern district sales manager, was in charge of the conference. One of the features of the session was the appearance of William H. Danforth of St. Louis, president of the Ralston-Purina Company, who delivered an address.

KANSAS CITY
B. S. BROWN - - CORRESPONDENT

HEARINGS in the general investigation of freight rates on grain and grain products under the Hock-Smith Resolution, have been concluded. During the one and one-half years in which the hearings have been going on 52,000 pages of testimony have been taken and 2,200 exhibits of from 1 to 200 pages introduced. This exhaustive research into the rate structure of the territory from Minneapolis to the Gulf and from the Mississippi River to the Pacific Coast is considered by grain men here to be of most vital interest to this territory, not only for its findings in the matter of rates on grain but because of the precedent that will be established for all agricultural products. It is expected that controversies and disagreements of long standing will be corrected through the investigation.

W. R. Scott, transportation commissioner of the Kansas City Board of Trade, represented grain interests of Kansas City, as well as country shippers in this territory, and offered considerable testimony portraying the importance of this terminal center and the Southwest as a grain producing territory and the general effect of freight rates in transporting its products to American and world markets. Clyde M. Reed of the Missouri Kansas Shippers Board represented the seven leading Kansas farm organizations. E. J. Hogueland, commerce counsel for the Southwestern Millers League, represented flour mills in this territory. A final decision in the case is not expected until the latter part of next year.

* * *

The Rudy-Patrick Seed Company recently bought the old Atlas Cereal Company's elevator at Eighth and Santa Fe, just across the street from their main plant. The Atlas Elevator has a capacity of 250,000 bushels, and with the warehouses in connection has a total floor space of 100,000 square feet. Although the purchase price was not announced it was understood to be about \$250,000. The Rudy-Patrick Company was formed in 1911, dealing in mill mixed poultry and stock feeds. With the addition of the Atlas Elevator, they will be able to augment their output greatly. Officers of the company are H. S. Patrick, president; John W. Miller, secretary; and Wilbur Hoover, treasurer.

* * *

Stocks of wheat in Kansas City public elevators recently made a new high record at 21,012,211 bushels. The previous record was 20,985,479 bushels on September 17 this year. The total of all grains, however, at 21,388,287 bushels, was not up to the previous high mark of 21,450,669 bushels October 14, 1924. This is accounted for by the small corn and oat stocks which at present are practically depleted. Local elevator interests report a very slow outside demand for wheat, with supplies that should have been ordered out in August and September still being held. Outside mills generally report they are filled up with wheat and new sales to those interests are light.

* * *

Farmers in this section have been advised by Secretary of Agriculture Jardine to feed an additional 50,000,000 bushels of corn to cattle, hogs and poultry this year in order to utilize the bumper crop anticipated in recent reports issued by the department. He stated that normally about 85 per cent of the corn crop is fed to domestic animals,

but it is often advisable to vary the proportion, thereby preventing undue disturbance of either corn or livestock prices. He said that in the economic machinery of agriculture the utilization of surplus crop by livestock can be made to act as governor in maintaining smooth operation. According to Secretary Jardine, an average increase of five pounds in the weight of the 45,000,000 hogs fed on the 1928 crop would mean the consumption of about 20,000,000 additional bushels of corn. Such an increase in the weight per hog would be equivalent on a pork basis to only about 2 per cent additional production.

* * *

John Vesecky, president of the Southwest Cooperative Wheat Growers Association, has been elected to membership on the Kansas City Board of Trade, on transfer from W. W. Young, former manager of the organization, who recently resigned.

* * *

Fred C. Hoose, vice-president of the Norris Grain Company, and manager of the Kansas City branch of the company, has just returned with Mrs. Hoose, from a visit to Winnipeg, where they attended the twenty-fifth wedding anniversary of Mr. and Mrs. C. C. Fields. Mr. Fields is vice-president and manager of the Winnipeg office of the company. Mr. Hoose said the general opinion on the Winnipeg Grain Exchange was that Canada has produced a wheat crop of at least 550,000,000 bushels. He said the frosts just before harvest were more severe than had been expected at the time and considerable damaged grain was now showing up. The upper grades of wheat that were not damaged by frost are the finest quality ever produced, he reports. Mr. Hoose returned via Minneapolis, where he spent one day.

* * *

Every effort is being made to retain Kansas City's export grain rate to the Gulf, which was ordered cancelled October 25 in a recent decision of the Interstate Commerce Commission. Three of the leading Kansas farm organizations have objected to the ruling in messages sent to the commission, saying that the order will cause inestimable loss to farmers. The Kansas City Board of Trade filed a petition with the commission on September 25, requesting postponement of the order so large quantities of wheat suitable only for export outlet might be marketed. It is stated that an unusually large part of the Kansas crop of 179,000,000 bushels this year is of export type wheat, due to excessive moisture in the harvest period. Much of this wheat was rushed to Kansas City to be conditioned, and is held in store here awaiting an export market.

ST. LOUIS
FAIRMOUNT - - CORRESPONDENT

THE members of the Merchants Exchange attending the National Grain Dealers Association meeting at Boston, September 24, 25 and 26, were headed by J. W. Caldwell, vice-president of the Ralston Purina Company and also a vice-president of the Merchants Exchange; C. B. Rader, secretary; C. F. Beardsley, president of the Picker & Beardsley Commission Company; W. J. Edwards, president of the W. J. Edwards Grain Company; Herman Von Romp of the Dixie Mills; Louis F. Schultz, president of the Schultz & Niemeier Commission Company; R. E. Nye of the Denver Alfalfa Milling & Produce Company and T. Maurice Scott of the Cornelia Seed Company. C. B. Rader, our affable secretary, obtained two attendance prizes at the convention and is very proud of them. W. J. Edwards drove to and from the convention by auto, going via Buffalo through New York State and New York City of Boston and returning via the southern route through Virginia, Tennessee and Kentucky and back through Illinois. He was fortunate enough to obtain one attendance prize. Herman Von Romp drove both ways to Boston. Louis F. Schultz took a side trip into Canada, visiting Montreal and Toronto. John W. Caldwell is a strong Hoover man and takes pride in displaying his black silk socks which have the name Hoover in blazing letters across the top. Mr. Caldwell also had an experience while in Boston. On the twenty-fifth of September he took a dive in a United States submarine at Boston and enjoyed the experience very much. Mr. Caldwell is well thought of on the Merchants Exchange and is in line for the presidency.

* * *

Frank W. Feuerbacher, president of the Southern Commercial & Savings Bank of this city and for many years prominent in industrial circles, died at his home after a lingering illness on the tenth. He was born in St. Louis on July 30, 1850, and was a son of early German settlers in South St. Louis. He entered the brewing and malting industry and founded a malt house in St. Louis in

1880. Forty-five years ago he joined the St. Louis Merchants Exchange, where he was a familiar figure while the brewing industry prospered. He was also president of the Western Foundry & Sash-weight Company and in 1903 founded the Carondelet Ice Manufacturing & Fuel Company, later becoming associated with the Donk Bros. Coal Company. He was also a director in 10 other corporations including two fire insurance companies, and member of the St. Louis Liederkranz, Concordia Turnverein, the Western Rowing Club, of which he formerly was president; the Missouri Athletic Association, the Masonic Order, the St. Louis Aero Club and the Cedar Crest and Sunset Hill Country Clubs. He is survived by his widow, Mrs. Carrie Krauss Feuerbacher, four daughters, Mrs. Elizabeth Ganss and the Misses Marie, Veronica and Caroline Feuerbacher and four sons, Oliver, Fred, Edward and Boniface F. Feuerbacher.

* * *

| Receipts of wheat, corn and oats for the month of September, 1928, as compared to September 1927: | | |
|---|----------------|----------------|
| | September 1928 | September 1927 |
| Wheat | 5,741,400 | 3,144,000 |
| Corn | 2,517,200 | 1,566,600 |
| Oats | 1,532,000 | 1,684,000 |

* * *

Sardius Smith, a former St. Louis grain dealer and well remembered by the older members, died Wednesday, September 19, at his home in Joplin, and was buried there. He was 92 years old and a member of Ransom Post, G. A. R., at St. Louis. He was born in Portsmouth, Ohio. He started in the grain business in St. Louis in 1872. During the Civil War he served as a lieutenant in the Tenth Illinois Cavalry. He is survived by two sons, Sardius, Jr., of Joplin, Mo., and James Grant Smith of Fort Worth, Texas, also two daughters, Mrs. Mary E. Strassburger of St. Louis and Mrs. Evelyn Holland of Joplin, Mo.

* * *

W. H. Toberman, president of the Toberman Grain Company, also of the National Hay Association, returned October 1 from a two weeks' fishing trip in Colorado. Mr. Toberman is looking very fine and apologizes for the fact that he was unable to bring back any of the fish which he caught in the mountain streams of Colorado. He states that they would not permit them to take them out of the state. We do not know whether this is a fish story or not.

* * *

J. B. Horton of the Horton Grain Company is a strong Southern Democrat and proudly displays the brown derby and is always trying to induce others to display their colors. Mr. Horton is formerly from Memphis, Tenn., where he was in the grain business many years.

* * *

The scarcity of baseball tickets for the world's series championship has made many of the members feel like they were neglected. Some of the large firms here while they made application did not get one ticket but the way the series ended has made some of them rejoice, as they saved money.

DULUTH
S. J. SCHULTE - - CORRESPONDENT

HANDLING facilities of Duluth and Superior elevators have been fully pre-empted during the last month. Officials of the Minnesota State Inspection Department have been at their wits ends in handling the daily rush of samples that have been coming to hand from over the territory. At times after special rush periods they have found themselves submerged, but with occasional let-ups in the movement they have been enabled to function fairly well. With the present facilities of the inspection department, 1,300 cars can be given their grades daily, but as inspections are slowed up during dark weather periods, occasional congestion recently brought about an investigation on the part of the Joint Terminal Committee into the situation accompanied by a threat of an embargo against shipments to the Head of the Lakes should that be deemed advisable. The investigation held three weeks ago at Minneapolis led to the conclusion that an embargo was not necessary at present and should not be ordered provided all interests co-operate in the handling of the grain flow. Duluth representatives at the meeting gave assurances that the elevators would expand their efforts to handle a larger number of cars at their plants. They also stressed the point that about 10,000,000 bushels of storage space is still available in elevators at Duluth and Superior so that any checking up of the movement from the country would be unfair to shippers.

In a subsequent communication from P. J. Coleman, chairman of the Joint Terminal Committee

addressed to the Minneapolis Chamber of Commerce and the Duluth Board of Trade, it was pointed that the main source of trouble lay in the holding of grain cars at sampling points pending routing instructions. The communication said, "Fifty per cent of the cars held at outside sampling tracks are being consigned to the Head of the Lakes, necessitating the taking of second samples which is an expense against shippers and creates delays in the disposition of the cars and their prompt return to country points for reloading. It is considered that as long as conditions remain where the Head of the Lakes is absorbing over 50 per cent of the cars, there would be a saving in inspection charges and transportation to have the cars billed direct to the Head of the Lakes rather than holding at Minneapolis and reconsigning them to the Head of the Lakes from a sampling point as is being done at present." It is therefore suggested that shippers looking to the Duluth market forward their cars direct to the Head of the Lakes.

Duluth's foremost position as a distributing market for Durum wheat is expected to be emphasized more strongly than ever this fall and winter. From data compiled by commission houses and elevator men, it is figured that productions of Durum wheat will set records over sections of North and South Dakota and western Minnesota. South Dakota raised a big crop of Red Durum from which substantial net returns are expected to be realized by growers in spite of the lower range of prices this fall. The fact that a surprisingly good export demand has been found for Durum wheat has been cheering to operators specializing in that trade, and they are hopeful of being able to ship out sufficient before the close of navigation to afford sufficient space being made in elevators at Duluth and Superior to enable operators to handle grains all winter on a fairly good scale.

The Farmers Union Terminal Association of St. Paul, Minn., a co-operative organization, has been elected to membership on the Duluth Board of Trade after considerable controversy and opposition. A statement issued by Charles F. MacDonald, secretary of the Board, said that the St. Paul association had made application for membership more than a year ago, but the directors of the Board refused to pass favorably upon it after consideration of its financial condition and methods. The association then appealed to the Secretary of Agriculture at Washington, claiming that under the Grain Futures Act approved by the United States Supreme Court, it was entitled to admission as a co-operative association. The Secretary of Agriculture after an examination, and an investigation of all complaints, said that he did not find its exclusion by the Board of Trade justified and that the association was entitled to membership under the provisions of the Grain Futures Act. Directors of the Duluth Board were therefore of the opinion that nothing could be gained by contesting the decision of the Secretary of Agriculture, and the association was accorded membership. To meet objections regarding the association's financial condition, it has deposited a surety bond for \$100,000. The membership of Percy Fuller, formerly manager of the American Linseed Company, on this market has been transferred to A. G. Webber, representing the Farmers Union Terminal Association. A Board of Trade membership of M. A. Santee has also been declared to be the property of the farmers' organization.

It is obligatory on the part of commission merchants on the Duluth Board of Trade to collect from shippers of grain any fees that may be paid by them for obtaining samples of grain to be used by the Federal Supervision Department in making determinations of appeals, according to a ruling by directors of the Board of Trade. That ruling was brought about to correct an abuse under which commission houses on this market have been out substantial amounts each season for fees for grain samples to be submitted to the Board of Grain Appeals.

With the development of an active inquiry for boat space to move grain east before the close of navigation, the rate from the Head of the Lakes to Buffalo has been increased to 4¼ cents a bushel for wheat and rye with 3¾ cents the figure for Georgian Bay ports and 11½ cents for Montreal.

Grain handlers on this market have found themselves faced with a difficult situation in handling a proportion of the wet and off-grades of Durum wheat that have been arriving, and they consider that they have done their best for their customers under the circumstances. The larger relative proportion of low grade Durum wheat that has been arriving at the terminals so far this season is considered to be due to the necessity of growers to ship it from their farms quickly to prevent deterioration. On account of lower going prices they have been holding back more of their good condition

grain. Handlers here claim, therefore, that the proportion of damaged wheat likely to be handled this fall will not be found to be any larger than in many previous years. This fall the grain is being subjected to extra discounts on account of its moisture damage while last year the penalization was for a light weight and shrivelled condition. One of the Durum authorities on this market figures that out of an estimated Durum wheat yield for the season of 85,000,000 bushels, not more than 3 to 4 per cent will be damaged.

Specialists in the rye market here have also been having some interesting experiences in the handling of that grain so far this season. With the official Government report indicating a heavy falling off in the crop raised, exporters' interest has been quickened and some of the crowd have found themselves sold into holes from which attempts to obtain relief have proven to be costly at times. As a result of that condition, it is figured that around 600,000 bushels of rye will be shipped from Duluth elevators for Chicago this month to go into store there.

Officials of A. D. Thomson & Co., leasees of the Great Northern Railroad's system of elevators at Superior, consider that they established a record in two days on October 8 and 9 in the loading of three cargoes with Spring wheat for export from their Elevator "S" and annex. The steamer W. P. Snider, Jr., took on 480,000 bushels of Spring wheat for delivery at a Georgian Bay port, the steamer J. J. Bartum took 358,000 bushels of Spring wheat also for a Georgian Bay port for export, and the steamer Edwin L. Ford took on 456,000 bushels for shipment on account of Buffalo millers to go down there.

The season's hay crop over a considerable area from this point is almost a total loss this season, according to information received by R. M. White of the White Grain Company. Large hay stocks have been standing in water over considerable periods in some sections, with the result that moisture has worked up from the ground towards the tops and irreparable damage sustained. In other instances growers were unable to cure their hay owing to successive rainfalls.

INDIANAPOLIS

H. M. RUDEAUX CORRESPONDENT

STATEMENTS have appeared in many of Indiana's leading newspapers giving the supposed poverty stricken condition of the farmers as a reason for the probability of a short wheat crop next year. Farmers are too poor to buy seed wheat or fertilizer and as a result the acreage for the state will be only about 40 per cent of what was sown in the fall of 1927. County agricultural agents deny this, and farmers generally, without having access to official statistics, doubt whether any such condition prevails. Some of the county agents are pointing to an estimate made by the Department of Agriculture following reports from field agents in all sections of the state. The Government report says that Indiana farmers plan to sow about 82 per cent of the 1927 acreage. This is about a normal wheat acreage; the 1927 was higher than the average.

A heavy crop of weeds in many corn fields is given as another reason for a less wheat acreage this fall, because forcing a drill through corn rows would be next to impossible. Great emphasis, however, is placed on the financial condition of the farmers and their inability to finance normal wheat sowing. Shrewd farmers throughout Indiana regard the statement as having political significance and assert that it is a somewhat clumsy move of the Al Smith campaign headquarters. A few of the self constituted farm leaders in Indiana have announced their intention to do what they can to aid Smith's candidacy and the effort to make it appear that Hoosier farmers are so badly off that they can not obtain seed wheat or fertilizer is considered one of the first moves in the calamity campaign.

The truth of the matter is that already about 60 per cent of the wheat crop is in the ground and looking fine. Good seed wheat has been scarce and hard to find, but the millers of the state realizing the serious situation hurried to the farmer's rescue by bringing into their respective territories, certified Soft wheat for seeding. In many cases the seed was re-cleaned, and treated and sold at actual cost, which was done to encourage the raising of better wheat, and a variety to meet Indiana millers' requirements. Reports say that there is wheat being planted at this late date in the southern part of the state, and from all probability next year's quality will be an improvement over this year.

The movement of wheat has increased somewhat

during the past 10 days, and arrivals have been more liberal. The grades, however, have been from good to bad. This year's crop has been unsatisfactory in this market, some arrivals were Hard and Soft wheat mixed and grading has been difficult.

There has been some new corn moving, but in very limited quantities. It graded sample on account of moisture, and contained from 25 to 30 per cent moisture. Disregarding the moisture content, the corn was considered very fine. Farmers should be discouraged who desire to ship their corn at this early date, as the weather is unfit for new corn shipping, and new corn is not ready to ship. Grain merchants are anticipating a heavy movement of corn, of good quality just as soon as the weather will permit. Oats are showing an increase in arrivals, at a good price, with an excellent demand. Most arrivals are grading No. 3 White on account of stain.

Ed. K. Wheatly, night watchman at the Board of Trade Building, was found unconscious in the basement of the building on the night of September 26 by his 12-year old son. Apparently struck on the head by a marauder who entered the building, Wheatly was found insensible and face downward in the basement. He was not seriously injured and regained consciousness at the City Hospital the next morning, when he told attendants he had been struck on the head. He was unable to give details. Two lockers in the basement had been broken into.

A seed corn campaign to be conducted through the schools of eight townships in Shelby County has been arranged by Calvin Perdue, county agent. Perdue will be assisted by Peter J. Lux, who three times has won the international corn championship. Boys and girls of the agricultural classes of the schools and the adults of the townships will take part in the work. After the manner in which seed corn should be selected from the stalks in the field has been explained, the boys and the men will be sent into the fields and will be expected to bring in seed which they have selected, and which will meet with the requirements of good seed, as the requirements have been explained to them. Trustees, teachers and principals of the schools in the eight townships have said that they will co-operate with the county agent and Lux.

The third annual Indiana state corn-husking contest will be held the week of October 29, on the Frank B. Adney Farm, one mile northeast of Lebanon, in Boone County. The contest has the *Prairie Farmer*, farm magazine, as sponsor. Prizes of \$100 to \$10 will be awarded. The state contest will be open to the 10 county contest winners with the best records, and the champion of Indiana will compete in the national contest to be held in Benton County the week following. At that time the championship of the corn belt will be determined from the state winners of Indiana, Illinois, Iowa, Kansas, Nebraska, Missouri, Minnesota and the Dakotas. Local arrangements for the state contest are in charge of A. W. Porter, secretary of the Boone County Farm Bureau. Boone County organizations are co-operating with the *Prairie Farmer*.

The hay market is fair and prices range around \$14 country points for a good grade of Timothy hay. Mixed and Clover are bringing a premium from \$2.50 to \$3.50 a ton over No. 1 Timothy on account of the scarcity of these grades. Feed is quiet which is due to the excellent pastures in practically every section of the state. Recent rains helped pasture lands and feeders are taking advantage of the situation.

MILWAUKEE

C. O. SKINROOD - CORRESPONDENT

MILWAUKEE grain dealers express keen disappointment at the slack rate at which grain is coming in. With large yields, the grain handlers were looking forward to a season of record, or near record receipts. The September figures saw declines almost all along the line. Wheat trade was more than split in half when Secretary Harry A. Plumb reported that the supply of this grain received here last month only totalled up to 420,000 bushels as compared with 901,000 bushels for the corresponding month last year. The large Southwest wheat shipments, which have been an important feature of Milwaukee grain trade each autumn, have been decisively cut down in recent weeks.

Milwaukee should have an enormous run of corn this year, Secretary Harry A. Plumb states, because of the large yield of corn for this year and also because the city was a very popular corn marketing center a year ago. By the latter part of November,

when the new corn is ready to husk and crib, Mr. Plumb believes corn will be rolling into the Milwaukee market at a great rate.

Total stocks of grain in Milwaukee are still light, most of the grain being shipped out by boat as fast as a shipload accumulated. The wheat storage however is 919,000 bushels, which is higher than expected in view of the light receipts for the last month.

Bickley, Mandeville & Wimple, Inc., have opened an office in Milwaukee on the floor of the Milwaukee Chamber of Commerce. A special wire connection has been installed and the firm plans on an extensive business in this city in grain and provisions and allied lines of commodities. William E. Schroeder, well known in brokerage circles, will be the Milwaukee manager for the company.

Two new members have recently been admitted to the Milwaukee grain board. They are Paul C. Rutherford, vice-president of the Van Dusen Harrington Company of Minneapolis, and Orlando B. Saner, secretary of Bickley, Mandeville & Wimple, Inc., of Chicago.

Lake shipments of grain this season have fallen off very materially according to Secretary Harry A. Plumb of the Milwaukee grain exchange who says the figures for September were approximately 1,235,000 bushels. The shipments were made on 10 steamers. There were 748,000 bushels of oats in this lake traffic, 198,000 bushels of barley, 186,000 bushels of corn and more than 101,000 bushels of wheat. Lake shipments have been very slow and not up to those of last year, Mr. Plumb finds. Not so much wheat has been coming through the port of Milwaukee as in former years, he declares and that which is going has been destined largely for the flour mills at Buffalo. The reason for the light lake shipments is undoubtedly the wide spread holding of grain by the farmers for better prices, Mr. Plumb states. The grain is in the country Mr. Plumb says and without much doubt it will come to the market at some time, but just when is the big puzzle.

Despite the very high rates for money now prevailing, the interest rate on advances at the Milwaukee Chamber of Commerce have again been fixed at 6 per cent, which is the same rate as has been maintained for a long time.

Grain dealers of Milwaukee brokers, and others are up in arms in an attack on Secretary of Agriculture Jardine because he has urged the farmers to hold their grain and thus prevent any further declines in prices. "This is nothing less than a political and useless gesture to try to appease the grain growers," declared W. J. Delaney. "If the farmers start to hold their grain, it will result in a glut of the terminals until there will be no place to store the vast amount of grain, especially wheat that is now ready to move to market. There is no getting away from the fact that the world is overloaded with grain this year. There is not enough elevator space in the grain states to hold this vast supply in my opinion. Eventually, the grain will have to be sold and if it is held and then dumped on the market, the price is likely to react lower than ever."

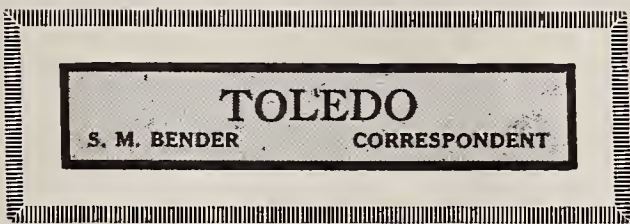
Mr. Delaney points to the embargoes which have been necessary at the Twin Cities and at Duluth and Superior because of the vast marketing of wheat. Canadian reports, Mr. Delaney points out, show that in one week Canada marketed about 70,000,000 bushels of grain this year as compared with about 10,000,000 bushels for the same period a year ago.

A large group of Milwaukee grain dealers went out east to Boston to attend the meeting of the Grain Dealers National Association, which was held for several days in Boston. Among those to attend were the following: A. L. Johnstone, president; W. A. Hottensen, J. M. Reibs, Jr., M. H. Ladd, the chief weigher of the local grain board, and Allan A. Breed, chief inspector.

Funeral services were held recently for William Laird Sherman, who died after six weeks' illness at the age of 84. The body was cremated and the ashes were taken to Forest Home Cemetery. Mr. Sherman was a pioneer in business here and founder of the Milwaukee Brokerage Company, which was organized in 1889. He was one of the oldest members of the local G. A. R. post. He was also a member of the Old Settlers' Club, and of the Knights Templar and also of the Eagles Club. He made his home in later years at the Blatz Hotel.

Wisconsin is going to have a highly bountiful year for grain production according to the corrected figures on the state yields. The Wisconsin production of oats indicates that the state will have one of the best oat yields on record with estimates in excess of 106,000,000 bushels as against a yield of a little over 93,000,000 bushels last year. Barley

also has proved to be a wonderful yield in this state with better than 26,000,000 bushels as against a little over 21,000,000 bushels the harvest for last year. The corn and feed crop made splendid growth late in the season with estimates of a 26 per cent boost in the Wisconsin corn harvest as compared with a year ago. Rye production, on the other hand, is about cut in half in Wisconsin with only 2,000,000 bushels as compared with 4,000,000 bushels a year ago. This was a decrease of 50 per cent. The wheat crop was also cut sharply with only about 48 per cent of the yield of a year ago.



SOFT Red Winter wheat has held its premium during the past month though at times it has threatened to topple. Receipts have shown some increase but are still below normal for this time of year. A large percentage of arrivals have been of Hard wheat and Hard and Soft wheat mixed. Local mills have been using western wheat to lengthen out their supplies of strictly grown Soft wheat. Demand from outside mills have improved during the month and indicates there will be a steady demand for the Soft wheat available. Receipts of corn have been light with an excellent demand after the September option was liquidated. New corn prospects are excellent and the first car received here was kiln dried grading No. 3 Yellow. Rain is needed most everywhere to give Winter wheat a proper start. Oats trade has been good with prices here comparatively higher than competitive eastern markets.

Cyrus S. Coup, vice-president and general manager of the Northwestern Elevator & Mill Company, and Mrs. Coup have been visiting with their daughter in St. Louis, Mo., and on their return trip were to spend a week or 10 days at French Lick Springs, Ind.

Fred Adams, who conducted a flour and feed business in this city as Fred Adams & Son for more than 50 years, died at his home September 27, at the age of 88.

C. L. Cannon, Federal supervisor of grain grading in this district for the past 10 years, left during the past month to take up his new duties as chief of the Chicago district. His fine personality, just decisions and willingness to co-operate with country shippers as well as terminal market men won for him an enviable reputation. Before leaving he was presented with a traveling clock by members of the Toledo Produce Exchange who had it suitably inscribed to express their high regard for "Cal." He was succeeded here by his first assistant H. F. Prue, who through long experience has gained an intimate knowledge of grain grading.

John W. Luscombe, of Southworth & Co., and Mrs. Luscombe left Toledo October 8 for New York City, from where they will sail October 10 on the *Berengaria* for a three months' trip abroad. Their itinerary calls for stops in most of the principal European countries and they will spend some time in England, where Mr. Luscombe has relatives who have not seen him since he was a young boy. Seed conditions abroad will also be studied by Mr. Luscombe, who has handled that part of the business for Southworth & Co.

Fred Jaeger, of J. F. Zahm & Co., completed a 3,000-mile motor trip through Canada and the eastern states during the past month accompanied by his wife and brother. They visited Montreal, Quebec and Toronto, returning by way of New York City and Atlantic City and stopping enroute where they chose to spend any time.

The Toledo market is now opening at 10:30 a.m. and closing at 2:15 p.m. to conform to the change of Chicago from Daylight Saving to Central Time. On Saturdays the market will close at 1:00 p.m.

Chris Wessendorf, who has been confined to his home since July with a severe illness is able to be around again and spends a little time each day on the exchange floor. He is connected with H. W. Devore & Co.

Kenton Keilholtz, of Southworth & Co., and wife accompanied their oldest son Richard to Ithaca, N. Y., during the past month where he entered Cornell University, for a course of engineering. Their youngest son, Robert, entered his third year at Pawling School, Pawling, N. Y.

Among those who attended the Grain Dealers National Association convention held in Boston

during the past month were Joe Streicher, of J. F. Zahm & Co.; Jesse D. Hurlbut, of the Toledo Grain & Milling Company; Charles Patterson, of John Wickenhiser & Co.; Louis Schuster, of the C. A. King & Co.; Sam Rice, of the Metamora Elevator Company, Metamora, Ohio; and Edgar Thierwechter, of the Emery Thierwechter Company, Oak Harbor, Ohio.

A. T. Cunningham, of the Sneath-Cunningham Company, Tiffin, Ohio, was a visitor on the Exchange floor during the past month and reports farmers holding grain in that territory with offerings of all grains very light.

The Liberty Grain Company, Rudolph, Ohio, has just completed a \$20,000 addition to its elevator, making it all electric and equipped to handle all grains. They have been successful at that station for many years and the company has been exceptionally well managed.

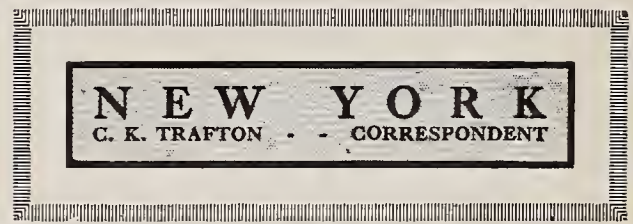
The plant of the Ney Co-operative Grain Company, Ney, Ohio, was damaged by fire recently. A volunteer fire department brought the blaze under control and saved the elevator from destruction. Had it not also been for the heroic work of the manager and his assistant the loss would have been much heavier. It was covered by insurance.

Millers and grain men throughout the state are urging farmers to secure tested brands of wheat for seed rather than to take a chance with some variety that may not be suitable for their particular region. The secretary of the Ohio Grain Dealers Association, W. W. Cummings, and Secretary Charles Tanner of the Ohio State Millers Association, have both sent out warnings regarding some of the untried brands that have not proven satisfactory.

William E. Savage, president of the Imperial Grain & Milling Company, will celebrate his fifty-ninth birthday on October 21. Late last spring he moved out to a beautiful new home located on the old canal near the Maumee River, overlooking one of the most historical and picturesque spots in this part of the country.

A branch office of W. E. Hutton & Co. will be opened in Toledo during the coming month. Walter Haskell, who comes of a long line of grain and milling men and is now engaged in the bond business, will be local manager with Carl Goodeman, who has had several years experience in the handling of stocks, as assistant. Arthur Mylander, formerly with Southworth & Co., will also be associated with them.

Receipts of grain in this market for the month of September were 730 cars of wheat, 64 cars of corn, 349 cars of oats, 18 cars of rye and 22 cars of barley. Total number of cars inspected at the market was 1183.



A special election held on the New York Produce Exchange on September 28, a proposed amendment to the by-laws was ratified by a vote of 305 in favor to two opposed. The amendment provided for a trial of securities trading for a term of years and an increase in the annual dues of members from \$30 to \$80 and in the dues of associate members from \$100 to \$150 to meet in part the additional expense incident to the creation and operation of the new department. A letter signed by President William Beatty expressed the belief of the Board of Managers that in view of the possibilities of broadening for all time the business opportunities available to the members by the addition of the securities trading, the increase in annual dues is logical and equitable. The letter also stated that the preparation of trading rules is proceeding steadily and it was planned to have them ready for adoption by the Board immediately upon ratification of the amendment. It was pointed out that the officers and the Board had worked diligently and energetically on the new project and were confident that it would meet an outstanding economic need and will therefore prove highly successful in giving to Exchange memberships permanently a greatly enhanced earning power.

Walter G. Munn, for many years an active figure in the grain trade on the New York Produce Exchange and elsewhere, latterly as manager of the New York office of Lamson Bros. & Co., Chicago commission merchants, has resigned that position and is now engaged in the commission business on

his own account. Following his resignation of a regular membership in the Produce Exchange, he has been elected to associate membership.

Ralph A. Schuster, vice-president of Rosenbaum Bros., Inc., Chicago, paid a visit to his old friends on the New York Produce Exchange late in September, while on his way home from the Boston convention of the Grain Dealers National Association.

Henry J. Dahl, of the New York office of Louis Dreyfus & Co., international grain merchants, who recently resigned his regular membership in the New York Produce Exchange, has been elected to an associate membership.

Thomas Bennett of James E. Bennett & Co., commission merchants on the Chicago Board of Trade and other markets, has applied for admission to membership in the New York Produce Exchange.

Joseph H. Mathews, for the past 10 years a member of the grain trade on the New York Produce Exchange and for about seven years connected with the New York office of Lamson Bros. & Co., has been appointed manager of that office following the resignation of Walter G. Munn. He was the recipient of many congratulations because of his well earned promotion. Mr. Mathews is a graduate of the American Institute of Banking and has had considerable experience in the stock business. During the past two years he has built up a good "over-the-counter" business for his firm and, in addition, has handled a good volume of business with stock exchange houses over their private wires. His place as assistant manager of the New York office will be taken by Guy C. Hamilton, who has been connected with the firm for some time.

Benjamin F. Nelson Jr. of the American Linseed Company, vegetable oils and food products, was admitted to membership in the New York Produce Exchange at the early October meeting of the Board of Managers.

Louis Dreyfus & Co., international grain merchants, have posted a notice on the bulletin boards of the New York Produce Exchange to the effect that L. A. Underwood, one of the veterans of the grain trade, is no longer connected with their organization.

Adrian P. Van Stolk, with G. Schilperoort, grain exporter and importer, is an applicant for admission to membership in the New York Produce Exchange.

The Grain Growers Export Company, Inc., have notified the officers and members of the New York Produce Exchange that James J. O'Donohoe and George J. Lulie are no longer connected with their office.

Louis T. Sayre, assistant secretary of the Rosenbaum Grain Corporation on the Chicago Board of Trade, while on his way home from the convention of the Grain Dealers National Association, paid a brief visit to friends in the grain trade on the New York Produce Exchange.

William P. Walker of Sanday & Co., grain exporters, has applied for admission to membership in the New York Produce Exchange.

According to an announcement posted on the bulletin boards of the New York Produce Exchange, the New York agency of Spillers, Ltd., grain exporters, has been taken over by Spillers, Inc., with the following officers: Edward S. Galloway, president; Harold B. Atkins, vice-president; and George B. Schold, secretary-treasurer.

In anticipation of the inauguration of a market for trading in "over-the-counter" securities on the New York Produce Exchange, the following representatives of investment and brokerage houses have been elected to membership: Franklin D. Mallory of Drayton, Pennington & Colket; Walter G. Straub of Montgomery, Straub & Co.; John W. Hanes of Charles D. Barney & Co.; Herbert C. Heller of Herbert C. Heller, Inc.; Percy E. Boas; Hiram W. Taylor; C. D. Farrell.

The formation of a new grain firm under the style of J. J. O'Donohoe, Inc., has been announced on the New York Produce Exchange. James J. O'Donohoe and George J. Lulie, who recently severed their connection with the Grain Growers Export Company, are respectively president and treasurer of the new corporation and received the hearty wishes of their many friends for every success in their new venture.

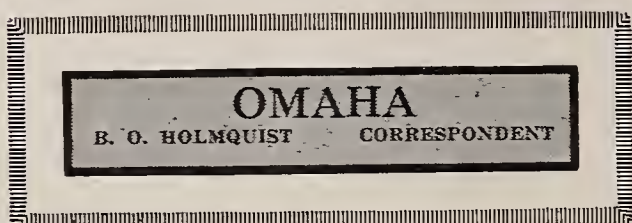
Trading in tickets of membership in the New York Produce Exchange was quiet during the early part of the past month but later developed considerable activity, resulting in further price advances, part of which have been lost latterly. Regular memberships, which had sold at \$16,500 late in

August, sold up to \$17,250 and \$17,300 and then jumped to \$18,300 on several sales early in October. The market then turned easy with tickets possibly available at \$17,000. During mid-September associate tickets sold at \$11,000, \$11,800, \$12,300 and then at \$13,300. The "peak" was reached on October, when three tickets sold at \$13,500; after which a sale was reported at \$13,000.

Expectations of an early opening of the new Unlisted Securities market on the New York Produce Exchange resulted in the filing of applications for membership from the following representatives of houses dealing in such securities: Charles E. Judson of C. E. Judson & Co., Milton A. Diner of Wyser & Diner; Barry Levy; Arthur Isaacs; and David F. Bernheimer of Steelman & Berkin.

George E. Booth, of Lamson Bros. & Co., commission merchants on the Chicago Board of Trade, spent a few hours with his friends on the New York Produce Exchange while on his way to the Grain Dealers National convention in Boston.

William Beatty, president of the New York Produce Exchange, announced early this month that the trading rules for the new securities market would probably come before the Board of Managers before the end of October. They are being drawn with great care to make them so complete and comprehensive that every transaction will be completely safeguarded. The experts of the Exchange have been working on the list of stocks to be traded in which will be submitted to the Board for approval. Progress of the work of installing the equipment of the new market is going forward rapidly and its completion is expected before the end of October. Booths have been installed for nearly 200 telephones and five octagonal trading posts about eight feet high have been erected. On each face of these posts six securities will be listed and quotations maintained, indicating expectations that about 240 different stocks will be traded in. These will comprise the "active" list and, in addition, "inactive" stocks and bonds will be listed and provision made for trading in them. No ticker service is being provided for as yet, but it is understood that the Board of Managers realize that it will be necessary ultimately to furnish a ticker service if the business expands as they expect and have in mind ultimate creation of a regular ticker quotation service. The steady progress made toward the inauguration of the new market has been given considerable publicity by extensive special stories in several New York newspapers.



CONCRETE is being poured for the foundation of the new Illinois Central Elevator, to be operated by the Crowell Elevator Company, and it is expected that the plant will be ready for receiving grain by the first of the new year. An automatic car unloader is being installed, which with the other unloading equipment will give the new house an unloading capacity of 14 cars per hour. This will be one of the most efficient grain-handling plants in the country when completed, including in its equipment a direct-heat drier with a capacity of 1,500 bushels per hour, grain separators, wheat washers, oat clippers, an oats bleaching plant, and a remarkably efficient sacking plant, as well as other features designed for rapid and economical handling of all kinds of grain. The unit now under construction will give the plant a storage capacity of more than 1,250,000 bushels, but the Illinois Central has already purchased ground adjoining to permit expanding the storage capacity as needed, to over 4,000,000 bushels.

Mrs. J. P. McGrath, wife of J. P. McGrath of the Updike Grain Corporation, died September 27 of heart failure. Mrs. McGrath had been subject for some years to heart trouble.

Among those who attended the Grain Dealers National Association convention in Boston from this market were R. E. Miller of the Updike Grain Corporation, C. D. Sturtevant of the Trans-Mississippi Grain Company, J. T. Buchanan of the Omaha Elevator Company, H. R. Clark, chief inspector and weighmaster, and F. P. Manchester, secretary of the Grain Exchange. All but Mr. Miller were accompanied by their wives.

Three cars of new corn, the first of the new crop, were received Saturday, October 13. The Swanick Grain Company had in two cars of No. 4 Yellow corn testing 17.8 and 18.2 per cent moisture, from Modale, Iowa. The Holmquist Elevator Company

had in a car of very choice No. 1 Yellow corn from Tyson, Neb., testing 57.4 pounds per bushel, 14 per cent moisture and containing less than 1 per cent of damage. This is the first time on record that new corn of this quality has been received in the Omaha market during October. The two cars of No. 4 Yellow sold at 87 cents, the No. 1 Yellow at 90 cents. Up to this time weather has been ideal for curing corn, but this week witnessed a change. Early in the week high winds blew nearly all the corn to the ground and later in the week, heavy rains flooded many cornfields so that the quality of the new corn in eastern Nebraska and western Iowa will probably be materially lowered, and the movement delayed for at least two weeks.

Rains that were not welcomed by farmers who had just started picking corn, were greeted with joy by wheat farmers who have been complaining of dry weather for several weeks. Acreage of winter wheat has been substantially reduced in many sections due to unfavorable planting weather and the low prices at which wheat has been selling.

GRAIN NEWS FROM BOSTON

By L. C. BREED

Stebenne Bros., Inc., Central Falls, R. I., has been incorporated to deal in hay, grain etc. The capital stock is 150 shares common no par value. The incorporators are William J. Stebenne, Eugene A. Stebenne and Felix S. Stebenne.

W. B. Herrick, Inc., Beverly, Mass., has been incorporated to deal in hay, grain etc. The capital stock is 500 shares no par value. Jennie M. Herrick of Beverly is president, W. B. Herrick of Beverly treasurer, and Robert W. Hill of Salem, clerk.

Maurice G. Cashman of Hodgdom, Cashman Company of Boston, has applied for active membership in the Exchange.

The Perry Seed Company, Boston, has been incorporated. The capital stock is \$42,000 of 6 per cent preferred, \$30,000 second preferred 6 per cent stock, and 1,500 shares no par value. The incorporators are Stanley R. Perry and Eva Perry of Belmont, and Wilfred G. Paine of Newtonville. The general management will be under Stanley R. Perry, president and treasurer of the corporation. Through the purchase of the business of the Fiske Seed Company by the Perry Seed Company, the consolidated business will be carried on at 12 and 13 Faneuil Hall Square, the old stand of the Fiske Seed Company.

Grain dealers handling grass seed report a better demand for it this fall than usual. It is wanted for lawns and golf courses. Winter rye and winter wheat are also in some request.

During September, the demand for grain was normal for the season, with more than an average run of fluctuations in prices. The usual premium for old crop grain was obtained. The demand for chicken was excellent, and owing to the lower price for Durum wheat as compared with other kinds, sales were confined to Durum.

The demand for mill feed is fairly good. Offerings are moderate and prices firm. Sales are mostly for prompt shipment. Canadian offerings are being made for prompt and deferred shipment. Ground oats are selling quite largely and some trade is obtained in place of wheat feed, the price being lower.

At Boston, the market for hay is well supplied and prices are normal for the season. There is only a moderate demand prevailing. The receipts of hay during September were 182 cars; straw 4 cars.

Stocks of grain in regular elevators at Boston, as of September 29, were as follows: Wheat, 60,126 bushels; oats, 36,525 bushels; rye, 205 bushels.

The receipts of grain at Boston during the month of September, as tabulated by the Boston Grain & Flour Exchange, were as follows: Wheat, 64,550 bushels; oats, 57,600 bushels; rye, 2,725 bushels; malt, 1,550 bushels; mill feed: cornmeal, 445 barrels; oatmeal, 3,025 sacks and 130 cases.

During the month of September, exports were as follows: To Hamburg, 108,000 bushels wheat; to Bremen, 8,000 bushels wheat; to Rotterdam, 6,200 sacks oatmeal.

Among the visitors to the Exchange during the month of September, outside of New England, were the following: W. W. Howard, Jamestown, N. Y.; C. E. Brush, Moina, N. Y.; J. M. Rose, Chicago, Ill.; Charles Killick, Lyons, N. Y.; W. A. Hill, Philadelphia, Pa.; Albert Kurris, Topopah, Neb.; J. P. Parkes, Kansas City, Mo.; C. S. Clark, Chicago, Ill.; Robert Lee Early, Cincinnati, Ohio; C. F. Mor-

riss, Durham, N. C.; Alex. W. Kay, Chicago, Ill.; R. E. Miller, Omaha, Neb.; W. H. Quain, New York City; R. J. Barnes, Philadelphia, Pa.

SEPTEMBER RECEIPTS AND SHIPMENTS

BALTIMORE—Reported by Jas. B. Hessong, Secretary of the Chamber of Commerce:

| Receipts | | Shipments | |
|----------------|---------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 523,264 | 787,492 | 283,452 |
| Corn, bus... | 42,317 | 38,378 | 1,607,884 |
| Oats, bus... | 146,386 | 95,030 | 55,000 |
| Barley, bus... | 697,880 | 532,970 | 1,053,602 |
| Rye, bus... | 6,777 | 37,554 | 478,475 |
| Malt, bus... | 23,043 | 13,805 | 35,942 |
| Millfeed, tons | 1,487 | 1,074 | 1,524 |
| Straw, tons... | 4 | 19 | |
| Hay, tons... | 372 | 1,035 | |
| Flour, bbls... | 80,904 | 126,323 | 9,752 |
| | | | 54,909 |

CHICAGO—Reported by F. H. Clutton, Secretary of the Board of Trade:

| Receipts | | Shipments | |
|------------------------|-----------|------------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 2,848,000 | 3,205,000 | 1,459,000 |
| Corn, bus... | 6,925,000 | 10,551,000 | 4,621,000 |
| Oats, bus... | 4,014,000 | 3,471,000 | 3,734,000 |
| Barley, bus... | 2,444,000 | 1,467,000 | 2,875,000 |
| Rye, bus... | 229,000 | 305,000 | 541,000 |
| Timothy Seed, lbs. | 5,664,000 | 7,387,000 | 3,171,000 |
| Clover Seed, lbs. | 958,000 | 575,000 | 188,000 |
| Other Grass Seed, lbs. | 1,684,000 | 2,510,000 | 929,000 |
| Flax Seed, bus. | 68,000 | 369,000 | 2,000 |
| Hay, tons... | 10,613 | 10,980 | 633 |
| Flour, bbls... | 1,089,000 | 1,086,000 | 720,000 |
| | | | 690,000 |

CINCINNATI—Reported by D. J. Schuh, Executive-Secretary of Cincinnati Board of Trade, Inc.:

| Receipts | | Shipments | |
|----------------|---------|-----------|---------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 168,000 | 236,600 | 221,200 |
| Corn, bus... | 378,000 | 280,000 | 340,200 |
| Oats, bus... | 378,000 | 322,000 | 182,000 |
| Barley, bus... | 25,600 | 6,400 | 3,200 |
| Rye, bus... | 74,200 | 18,200 | 64,400 |
| Hay, tons... | 5,907 | 6,380 | 19,660 |

DULUTH—Reported by Chas. F. MacDonald, Secretary of the Board of Trade:

| Receipts | | Shipments | |
|----------------|------------|------------|------------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 25,342,842 | 34,258,622 | 14,773,619 |
| Corn, bus... | 26,996 | 10,228 | 20,576,788 |
| Oats, bus... | 843,360 | 142,117 | 348,000 |
| Barley, bus... | 12,028,273 | 7,178,544 | 11,007,943 |
| Rye, bus... | 3,887,774 | 8,550,851 | 7,773,997 |
| Flax S'd, bus. | 578,137 | 1,030,036 | 2,957,597 |
| Flour, bbls... | 779,670 | 598,430 | 8,302,886 |
| | | | 420,106 |
| | | | 625,825 |

FORT WILLIAM, ONT.—Reported by E. A. Ursell, Statistician of the Board of Grain Commissioners for Canada.

| Receipts | | Shipments | |
|-------------------|------------|-----------|------------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 39,131,558 | 8,580,287 | 24,693,824 |
| Corn, bus... | 7,824 | 1,465 | 14,016,208 |
| Oats, bus... | 472,526 | 74,509 | 1,465 |
| Barley, bus... | 8,513,303 | 1,954,967 | 145,992 |
| Rye, bus... | 2,031,703 | 2,437,879 | 5,531,954 |
| Mixed Grain, bus. | 215,455 | 34,014 | 915,342 |
| Flax Seed, bus. | 47,117 | 14,426 | 1,598,222 |
| | | | 18,355 |
| | | | 18,275 |

INDIANAPOLIS—Reported by Wm. H. Howard, Secretary of the Board of Trade:

| Receipts | | Shipments | |
|---------------|-----------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 597,000 | 385,000 | 135,000 |
| Corn, bus... | 1,659,000 | 1,916,800 | 1,173,000 |
| Oats, bus... | 1,470,000 | 828,000 | 1,100,000 |

KANSAS CITY—Reported by W. R. Scott, Secretary of the Board of Trade:

| Receipts | | Shipments | |
|--------------------|-----------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 8,607,170 | 7,643,350 | 6,253,390 |
| Corn, bus... | 2,230,500 | 756,000 | 1,039,500 |
| Oats, bus... | 520,000 | 50,400 | 206,000 |
| Barley, bus... | 552,000 | 310,400 | 428,800 |
| Rye, bus... | 33,000 | 51,000 | 39,000 |
| Bran & Shorts tons | 5,320 | 5,760 | 17,340 |
| Kafir, Milo | | | 15,820 |
| Corn, bus... | 50,600 | 79,200 | 171,000 |
| Hay, tons... | 20,952 | 19,308 | 7,620 |
| Flour, bbls... | 66,625 | 73,125 | 725,450 |
| | | | 785,850 |

LOS ANGELES—Reported by M. S. Thiebaud, Secretary of the Grain Exchange:

| Receipts | | Shipments | |
|----------------|------|-----------|------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 263 | 246 | |
| Corn, bus... | 170 | 201 | |
| Oats, bus... | 27 | 34 | |
| Barley, bus... | 151 | 152 | |
| Rye, bus... | 1 | 5 | |
| Kafir, bus... | 2 | 20 | |
| Bran, bus... | 72 | 71 | |
| Flour, bbls... | 123 | 124 | |

MINNEAPOLIS—Reported by G. W. Maschke, Statistician of the Chamber of Commerce:

| Receipts | | Shipments | |
|----------------|------------|------------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 24,688,660 | 27,107,590 | 7,452,480 |
| Corn, bus... | 511,130 | 803,560 | 274,420 |
| Oats, bus... | 2,641,620 | 4,874,030 | 1,064,660 |
| Barley, bus... | 4,153,500 | 3,906,850 | 2,619,930 |
| Rye, bus... | 1,204,480 | 867,520 | 572,450 |
| Flax S'd, bus. | 3,453,790 | 4,464,940 | 793,400 |
| Hay, tons... | 1,017 | 612 | 43 |
| Flour, bbls... | 19,104 | 40,769 | 1,066,222 |
| | | | 1,296,552 |

MONTREAL—Reported by J. Stanley Cook, Secretary of the Board of Trade:

| Receipts | | Shipments | |
|-----------------|------------|------------|------------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 22,202,677 | 15,478,815 | 26,531,668 |
| Corn, bus... | 72,952 | 33,736 | 5,608 |
| Oats, bus... | 2,728,195 | 809,786 | 2,401,869 |
| Barley, bus... | 8,154,063 | 1,526,494 | 4,737,483 |
| Rye, bus... | 872,008 | 4,913,042 | 1,709,398 |
| Flax Seed, bus. | 111,494 | 114,699 | |
| Hay, bales... | 54,717 | 115,477 | 45,925 |
| Flour, bbls... | 385,457 | 279,502 | 471,992 |
| | | | 371,815 |

MILWAUKEE—Reported by H. A. Plumb, Secretary of the Chamber of Commerce:

| Receipts | | Shipments | |
|--------------------|-----------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 420,048 | 901,400 | 195,522 |
| Corn, bus... | 732,920 | 1,031,540 | 509,574 |
| Oats, bus... | 716,100 | 1,545,600 | 1,513,069 |
| Barley, bus... | 1,344,000 | 1,700,480 | 955,140 |
| Rye, bus... | 98,550 | 58,050 | 80,340 |
| Timothy Seed, lbs. | 1,105,880 | 930,000 | 67,267 |
| Clover Seed, lbs. | 791,558 | 162,790 | 214,321 |
| Flax S'd, bus. | 101,530 | 175,454 | |
| Hay, tons... | 406 | 664 | 300 |
| Flour, bbls... | 206,850 | 327,420 | 5,250 |
| Feed, tons... | 2,710 | 2,780 | 6,800 |
| Malt, bus... | 20,900 | 14,860 | 290,700 |
| | | | 408,710 |

NEW ORLEANS—Reported by S. P. Fears, Chief Grain Inspector and Weighmaster of the Board of Trade, Ltd.:

| Receipts | | Shipments | |
|----------------|------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 430 | 676 | 1,361,307 |
| Corn, bus... | 36 | 90 | 29,978 |
| Oats, bus... | 30 | 39 | 2,290 |
| Barley, bus... | 241 | 3 | 561,666 |
| Rye, bus... | 2 | 47 | 55,714 |
| Grain Sorg... | | 2 | 42,857 |

NEW YORK CITY—Reported by H. Heinzer, Statistician of the Produce Exchange:

| Receipts | | Shipments | |
|-------------------|-----------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 4,523,400 | 6,534,200 | 4,695,000 |
| Corn, bus... | 85,500 | 210,500 | 6,057,000 |
| Oats, bus... | 650,000 | 470,000 | 440,000 |
| Barley, bus... | 924,992 | 2,482,500 | 942,000 |
| Rye, bus... | 170,500 | 410,000 | 446,000 |
| Clover Seed, bags | | 250 | 267 |
| Flax S'd, bus. | 1,500 | 622,000 | |
| Hay, tons... | 2,204 | 3,501 | |
| Flour, bbls... | 1,322,400 | 1,049,292 | 408,000 |
| | | | 331,000 |

OMAHA—Reported by F. P. Manchester, Secretary of the Omaha Grain Exchange:

| Receipts | | Shipments | |
|----------------|-----------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 4,406,400 | 3,969,600 | 3,652,600 |
| Corn, bus... | 1,246,000 | 1,227,800 | 1,237,600 |
| Oats, bus... | 674,000 | 858,000 | 430,000 |
| Barley, bus... | 340,800 | 512,000 | 396,800 |
| Rye, bus... | 275,800 | 324,800 | 355,600 |

PEORIA—Reported by John R. Lofgren, Secretary of the Board of Trade:

| Receipts | | Shipments | |
|-----------------|-----------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 203,800 | 146,200 | 224,400 |
| Corn, bus... | 2,158,750 | 2,322,350 | 1,020,900 |
| Oats, bus... | 610,200 | 487,800 | 303,200 |
| Barley, bus... | 211,400 | 145,600 | 99,200 |
| Rye, bus... | 7,200 | 2,400 | 3,600 |
| Mill Feed, tons | 28,060 | 27,790 | 37,282 |
| Hay, tons... | 8,730 | 5,880 | 270 |
| Flour, bbls... | 237,400 | 233,900 | 223,500 |
| | | | 217,400 |

PHILADELPHIA—Reported by A. B. Clemmer, Secretary of the Commercial Exchange:

| Receipts | | Shipments | |
|----------------|---------|-----------|---------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 108,099 | 376,949 | 99,833 |
| Corn, bus... | 9,803 | 11,556 | 937,385 |
| Oats, bus... | 166,535 | 101,941 | 160,000 |
| Barley, bus... | 289,225 | 2,491 | 349,772 |
| Rye, bus... | | 42,264 | 17,143 |
| Flour, bbls... | 168,571 | 182,951 | 7,572 |
| | | | 13,166 |

PORTLAND—Reported by F. W. Clark, manager of the Merchants' Exchange:

| Receipts | | Shipments | |
|----------------|-----------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 4,142,050 | 9,367,000 | 3,646,897 |
| Corn, bus... | 56,375 | 157,500 | 9,497,984 |
| Oats, bus... | 131,100 | 352,500 | 101 |
| Barley, bus... | 16,000 | 72,000 | 18 |
| Rye, bus... | 34,800 | 24,000 | 12,491 |

ST. LOUIS—Reported by C. Rader, Secretary of the Merchants Exchange:

| Receipts | | Shipments | |
|----------------|-----------|-----------|-----------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 5,741,400 | 3,144,000 | 4,715,600 |
| Corn, bus... | 2,517,200 | 1,566,600 | 2,679,181 |
| Oats, bus... | 1,532,000 | 1,684,000 | 1,311,400 |
| Rye, bus... | 180,700 | 266,500 | 1,102,888 |
| Barley, bus... | 590,000 | 305,600 | 1,430,000 |
| Kafir, bus... | 66,000 | 56,400 | 306,800 |
| Hay, tons... | 6,024 | 7,764 | 409,100 |
| Flour, bbls... | 546,740 | 561,660 | 40,630 |
| | | | 1,596 |
| | | | 1,554 |

SAN FRANCISCO—Reported by J. J. Sullivan, Chief Inspector of the Chamber of Commerce:

| Receipts | | Shipments | |
|---------------------|--------|-----------|------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, tons... | 7,907 | 15,912 | |
| Corn, tons... | 1,540 | 1,760 | |
| Oats, tons... | 815 | 896 | |
| Barley, tons... | 22,704 | 33,561 | |
| Bran, tons... | 210 | 292 | |
| Beans, sacks... | 49,512 | 46,945 | |
| Foreign Seed, sacks | 1,700 | 650 | |
| Hay, tons... | 4,028 | 3,192 | |

SUPERIOR—Reported by J. W. Conner, Secretary of the Wisconsin Grain & Warehouse Commission:

| Receipts | | Shipments | |
|---------------------|------------|------------|------------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 17,834,115 | 19,039,283 | 11,022,635 |
| Corn, bus... | 29,652 | 10,183 | 12,926,909 |
| Oats, bus... | 440,533 | 75,137 | 18,937 |
| Barley, bus... | 5,082,214 | 5,952,435 | 5,109,292 |
| Rye, bus... | 1,795,801 | 4,499,633 | 6,169,992 |
| Bonded Wheat, bus. | 182,522 | 68,618 | 1,441,350 |
| Bonded Oats, bus. | | | 4,576,290 |
| Bonded Rye, bus. | | | 69,455 |
| Flax S'd, bus. | 2,693 | 14,776 | 117,447 |
| Bonded Barley, bus. | 109,801 | 177,610 | 24,135 |
| | | | 20,057 |
| | | | 257 |

TOLEDO—Reported by A. Gassaway, Secretary of the Produce Exchange:

| Receipts | | Shipments | |
|--------------------|---------|-----------|---------|
| 1928 | 1927 | 1928 | 1927 |
| Wheat, bus... | 413,970 | 850,745 | 283,410 |
| Corn, bus... | 80,000 | 186,250 | 603,495 |
| Oats, bus... | 715,450 | 535,050 | 33,240 |
| Barley, bus... | 26,400 | 7,200 | 319,540 |
| Rye, bus... | 21,600 | 13,200 | 2,500 |
| Timothy Seed, bags | 2,915 | 9,363 | 5,795 |
| Clover Seed, bags | 794 | 1,746 | 11,825 |
| Alsike, lbs. | 1,005 | 1,236 | 791 |
| | | | 5,789 |
| | | | 1,034 |
| | | | 614 |
| | | | 127 |

WHEN THE DIRECTORS ISSUE NEW STOCK

By M. L. HAYWARD

"I move that we issue 1,000 shares of new stock, and sell the same at par," a director of the Popular Grain Company suggested.

"Second the motion."

"Carried."

"Would

FIELD SEEDS

A CONSOLIDATION of unusual interest to the general public and to the seed and feed world, occurred recently, when the Sherman Seed Company of Sherman, Texas, merged with the Magnolia Seed Company of Dallas, Texas; the new company is now known as the Sherman-Magnolia Seed Company. Officers of the new company are: J. F. Plangman, president, R. F. Duggan, vice-president, and Mrs. A. M. Lawrence, secretary-treasurer.

The Sherman-Magnolia Seed Company will continue its retail store at 945 S. Lamar Street, Dallas, Texas, where its main office is located; and has built, directly back of the Lamar location, on Terminal Street, what is pronounced to be the finest

Seed Companies Announce Merger



customers, although all deliveries will be made from the main warehouse on Terminal Street. G. E. Kirby, formerly with the Universal Mills, of Fort Worth, Texas, is the manager of this department of the business. Mr. Kirby has devoted many years to the study of stock and poultry feeds, and the successful operation of dairies and poultry ranches. He and his service force are subject to the call of the

enjoyed for lunch came all the way from the Canary Islands, and that that spinach and turnip salad that tasted as you didn't think such homely vegetables could taste, came, the former from Holland, and the latter from England—tiny seeds that due to the soil, climate, and method of their growing, give better results in this country than can be secured from an American-bred seed. In addition to building an ever-expanding seed business, Mr. Plangman has found time to develop municipal, church and club interests in his home town, and Dallas is fortunate to have such an energetic young business man brought to its midst.

R. F. Duggan, formerly president of the Magnolia Seed Company, and vice-president of the Sherman-Magnolia Seed Company, while never active in the management of the business, has been the financial adviser not only of this organization, but many other Texas industries. He organized, some years ago, the Duggan-Brown Overland Company, at Abilene, Texas, his interest in which he sold when he moved to Dallas some 12 years ago. His interests are varied—formerly president of the Hughes Petroleum Company; a director of the Universal Mills of Fort Worth, Texas; president of the Brooklyn Oil Company and owner of extensive interests, both land and oil, throughout south and west Texas.

Mrs. A. M. Lawrence, secretary-treasurer of the new company, was likewise secretary-treasurer of the Magnolia Seed Company and during the past year was manager of the Lamar Street location. She came with the Magnolia Seed Company shortly after its organization in 1924. At that time the company occupied a location at 1020 Elm Street, with a small office on the floor above. In January, 1926, it had grown so much that a change of location became necessary, and in September, 1927, another retail store, the office, and the wholesale warehouse opened at 945 S. Lamar Street. The Elm Street Retail Store was sold on July 1 of this year to the Alexander-Jones Seed Company.

The Sherman Seed Company majored in wholesale seeds, garden, field and flower, carrying a few poultry supplies as a sideline, while the Magnolia



DALLAS PLANT OF THE SHERMAN-MAGNOLIA SEED COMPANY

seed and feed warehouse in that section of the country. The very latest types of machinery in the way of cleaners, grinders and mixing equipment, have been installed, and were placed in operation around September 1. The main floor of the new building approximates 10,000 square feet, with a basement of 4,500 square feet for the proper handling of garden seeds, practically all of which must be stored in a cool place to avoid loss of germination and plant strength. There has also been constructed a 2,000 square feet store room, with additional bin and tank capacity of approximately 30,000 bushels. Every precaution has been taken in the building of this warehouse, to provide the things that will maintain the high quality of the products of this company, and the greatest efficiency in handling and serving its customers.

The new company will maintain its Sherman, Texas, store at 117-19 E. Houston Street, under the management of E. L. Odneal, who has been with the Sherman Seed Company for many years. In addition to its lines of seed, feed and poultry supplies, it will add a complete line of bird, fish, and pet supplies, as well.

The retail store in Dallas, at 945 S. Lamar Street, is under the management of R. B. (Dick) Hardie, well known to the people of Dallas. Prior to coming with the Magnolia Seed Company, Mr. Hardie was for many years connected with the David Hardie Seed Company of Dallas—in fact, was the last of the Hardies actively connected with that company. Mr. Hardie has been in especially close contact with the needs of the market gardeners of Dallas and the surrounding country. This store also has a complete line of garden, field and flower seed, in addition to poultry supplies and pets.

On July 28, the Sherman-Magnolia Seed Company bought the Dairy-Poultry Supply Company of Dallas, located at 600 Second Avenue, which for many years past has been the home of the well-known "Superior" stock and poultry feeds. This location will also be continued for the convenience of its

poultrymen and dairymen, without obligation on their part.

J. F. Plangman, president of the new company, and an ex-service man, has had remarkable training in the seed industry; in fact, all of his business life has been spent in this line. Immediately after the close of the World War, he returned to Sherman and became manager of the Sherman Grain &



SHERMAN, TEXAS, PLANT OF THE COMBINED SEED CONCERN

Seed Company, a branch of the well known Pittman-Harrison Company. In 1923, he and his father (also an experienced seed man) organized the Sherman Seed Company. During the five years which have passed since that time, The Sherman Seed Company has secured recognition for its "Square Brand Seeds" in Texas, Oklahoma, Arkansas, and Louisiana. While a large part of their seeds are grown in the United States, some of the garden and flower seeds must be brought from England, France, Holland, Denmark, Switzerland, Australia, and the Canary Islands. It is interesting to note that the cabbage which formed the base for that New England boiled dinner you had recently came to this country from Holland in the form of a tiny seed; that those green young onions you

Seed Company majored in poultry supplies, having definitely established itself as "poultry supply headquarters" for Texas, Oklahoma, Louisiana and Arkansas. With the combined purchasing power of these two organizations, it is evident that they will be better able to serve their customers and to give them every advantage in the way of quality and price. Already the new company has 2,500 active dealer connections, scattered over the four states mentioned above. They have five salesmen continuously travelling for them, one of whom devotes all of his time to the Rio Grande Valley, where the demand for "Square Brand Hi-Germinating" seeds exceeds the demand for any other brand on the market.

(Department Continued on Page 262)



ELEVATOR AND GRAIN NEWS


EASTERN

To deal in hay, grain, etc., Stebenne Bros., Inc., were incorporated at Central Falls, R. I. William, Eugene A. and Felix S. Stebenne are interested.

W. B. Herrick, Inc., were incorporated at Beverly, Mass., and will handle grain, hay, etc. Jennie M. Herrick of Beverly is president; W. B. Herrick, treasurer; and Robert W. Hill, clerk.

D. N. Ellis and William E. Broughton have sold their business known as the Fair Haven Grain Company at Fair Haven, N. Y., to Palmer Goodrich, formerly of Benson.

SOUTHERN AND SOUTHWESTERN

A large elevator is being built at Dimmitt, Texas, for Burns & Kearns.

G. W. Johnson has bought the elevator of the Farmers Elevator Company at Grandfield, Okla.

The Farmers Grain Company is building a grain elevator at Lariat, Texas. W. B. Osborne is manager there. The new elevator will have capacity of 18,000 bushels.

The property of the Pennington Grain Company at Cashion, Okla., has been bought by Fred Lankard of the Kingfisher Mill & Elevator Company of Kingfisher, Okla.

The new plant of the Cordele Mill & Elevator Company at Cordele, Ga., has been completed. It will have capacity of 20 tons stock feed per day and storage for 5,000 bushels grain.

The Terminal Grain & Heads Handling Company which was organized recently at Slaton, Texas, has built a grain elevator and plant for handling and threshing grain sorghum heads. The grain elevator will have a capacity of 10,000 bushels.

The Hamilton-Bacon-Hamilton Company and the Bristol Seed & Grain Company of Bristol, Tenn., have been consolidated and the new firm will continue under the name of the Hamilton-Bacon-Hamilton Company with S. T. Copenhaver as president. The Hamilton company was organized in 1902 and the Bristol firm in 1924.

IOWA

The John Corlet Elevator at Rock Valley, Iowa, has been repaired.

The elevator and feed mill at Kalona, Iowa, has been bought by Ivan D. Lemley.

The elevator of Paul Peterson at Montezuma, Iowa, which burned, is to be rebuilt.

A grain commission office has been opened at Emmetsburg, Iowa, by A. K. Emrich.

The Farmers Co-operative Elevator Company of Dike, Iowa, has built a new coal shed there.

Capitalized at \$20,000, the Cornell Elevator & Lumber Company has been incorporated at Cornell, Iowa.

A new scale and 10-ton truck dump have been installed by A. L. Anderson in his elevator at Rossie, Iowa.

The grain business of Dostal & Hrabak at Gladstone, Iowa, has been bought by M. C. Rucker of Belle Plaine.

The Terril, Iowa, elevator of the Spencer Grain Company has been bought by the Farm Co-operative Company.

Business has been commenced at Farragut, Iowa, by the Nebraska-Iowa Grain & Coal Company. L. E. Swanson is manager.

A new Fairbanks-Morse Receiving Scale has been installed for the Goodell Co-operative Grain Company of Goodell, Iowa.

Roller bearings have been installed in the elevator and feed plant of the Farmers Elevator Company of Hawkeye, Iowa.

The elevator of C. W. Fornev at Morningside, Iowa, has been sold to William Hanson and Albert Naebe who have opened it.

The Devon Lumber Company has bought an elevator at Devon, Iowa, and will operate under the management of Frank Olson.

The elevator of the Spencer Grain Company at Spencer, Iowa, has been sold to Charles Sargeant and J. P. Grieve of Webb, Iowa.

J. J. Mullaney has signed a lease for the property formerly known as the Akron Mill at Sioux City, Iowa, now owned by the North Western Railway.

The elevator is being rebuilt by the John S. Metcalf Company of Chicago and when completed will have capacity of 125,000 bushels.

The Lockwood Elevator at Slater, Iowa, is to be opened for business by the Munn Lumber Company of Ames, Iowa, which bought the property recently.

The Diagonal (Iowa) Elevator of J. W. Ostrander has been leased to the Allen Grain Company which has elevators at Tingley, Ellston, Beaconsfield and Grand River.

The Lewis Elevator of H. A. Dalby of Hopkins, Mo., at Lewis, Iowa, has been bought by B. O. Beadle, owner of the Atlantic Mill & Elevator Company at Atlantic, Iowa.

Repairs have been made by the Equity Elevator & Trading Company of Wesley, Iowa, to its two elevators. New galvanized iron roofs are to be put on both buildings.

The articles of incorporation of the Little Cedar Grain & Coal Company at Little Cedar, Iowa, have been renewed for another 20 years. H. H. Hockens, H. H. Milton, W. B. Danforth, Anton Neis and Thomas Martin are interested.

Machinery is being installed now in the 500,000-bushel addition to the elevator of the Terminal Grain Corporation at Sioux City, Iowa. The plant will be completed about October 20. When completed, the capacity of the elevator will be 1,250,000 bushels.

MINNESOTA AND WISCONSIN

The Farmers Elevator at Amiret, Minn., has been overhauled and repaired in general.

A new 10-ton scale has been installed for the Farmers Elevator at Sleepy Eye, Minn.

The Farmers Elevator Company of Winthrop, Minn., has built a new coal storage shed.

The Lee Elevator at Montevideo, Minn., has been repaired and roller bearings have been installed.

The George C. Bagley Elevator Company of Odessa, Minn., has made general repairs on its property.

A five-story tile and concrete warehouse is to be built at Appleton, Wis., for the E. Liethen Grain Company.

The coal business of the F. E. Dieman at Barnesville, Minn., has been sold to the Farmers Elevator Company.

The coal business of the Stenerson Bros. at Erhard, Minn., has been bought by the Farmers Elevator Company.

A 10-ton Fairbanks-Morse Scale and a dump have been installed in the elevator of Nelson & Lund at Grove City, Minn.

Ten additional coal bins have been installed for the Canby Farmers Grain Company of Canby, Minn. O. E. Nygren is manager.

The coal and grain business of Geo. N. Hiltz & Son at Augusta, Wis., has been bought by the Kain & Lampert Lumber Company.

Considerable repairs have been made to the Farmers Elevator Company's building at Bird Island, Minn. E. N. Rice is manager of the elevator.

A new coal shed containing three bins has been completed at Annandale, Minn., for the Farmers Co-operative Elevator Company. W. C. Hawkinson is manager.

The elevator building of the Hunting Elevator Company at Lake City, Minn., has been sold to E. J. Wilson, who will use it for manufacturing stock feeds.

The property of the Saukville Equity Farmers Exchange at Saukville, Wis., has been bought by the Saukville Feed Company and upon it a new feed warehouse has been built.

The Melrose, Minn., elevator of J. Borgerding & Co., has been bought by J. N. Schmitz of Rush City. He will buy grain and carry a full line of millfeeds and will also do feed grinding.

The business of the Alexandria Farmers Elevator Company at Alexandria, Minn., has been taken over by P. N. Johnson. He will also carry coal and will operate as the Johnson Grain & Elevator Company.

A line of elevators owned and operated by W. W. Luness has been bought by the Reebe Grain Company of Minneapolis. The elevators, operated under

the name of the Regan & Lyness Elevator Company, are located at Heimdal, Manfred, McClusky, Mercer and Tuttle, N. D.

The Rosewood (Minn.) elevator of the Hanson & Barzen Company of Thief River Falls has been opened with J. M. Schie of Mavie as manager.

A lease has been secured on a 750,000-bushel elevator at Osceola, Wis., by the Archer-Daniels-Midland Company of Minneapolis, belonging to the stockholders of the Osceola Mill & Elevator Company.

INDIANA

A new addition has been built to the house of the Edgerton Elevator Company at St. Joe, Ind.

Philip J. Wolfram has bought the two-thirds interest of the late E. Ward Moore in the Wolfram Grain Company at Thorntown, Ind., from his widow.

O. A. Duchess is now with the Keifer Feed & Supply Company at Elwood, Ind. He was formerly at the Sharpsville, Ind., property of this same company.

The Myers Bros. Grain Company of Francesville, Ind., is planning to rebuild on the site of the elevator which burned several years ago. The firm deals in grain, coal, feeds and seed.

Improvements have been made to the property of the Trafalgar Grain Company at Trafalgar, Ind. The elevator has been covered with galvanized iron and new wagon dumps and cleaner and shellers built. A modern feed grinder has also been installed.

The Farmers Elevator at Nappanee, Ind., has been bought from the Nappanee Elevator Company by Glen D. Stauffer. The elevator is under lease to the Kraus & Apfelbaum Company, Inc., and this company engaged Mr. Stauffer to manage their lease there. W. W. and H. R. Stauffer formerly owned the elevator and in 1919 sold their interests to Clay Syler who in turn disposed of it to the Farmers Elevator Company.

ILLINOIS

The old Roberts & Gullett Elevator at Roberts, Ill., is being torn down.

The McNeil & Emmett Elevator Company is building new coal storage sheds at Erie, Ill.

The elevator, machinery, etc., at Morrisonville, Ill., has been bought by W. E. Johnson.

H. R. Hall of Sandoval, Ill., has disposed of his grain and retail coal business to the Pfeffer Bros.

Electrical equipment is being installed for the grinding mill of the Farmers Elevator at Paw Paw, Ill.

The grain, coal and lumber business of M. J. Ranney & Co., of Cazenovia, Ill., has been bought by John Meisner of Peoria.

The new office building of the Villa Grove (Ill.) Farmers Elevator Company is now occupied by that firm. F. J. England is manager.

Irvin Larrick has resigned his position with the Stonington (Ill.) Elevator Company and is now with an elevator at Willeys Station, Ill.

The Esmond Co-operative Grain & Lumber Company of Esmond has bought the property of the Holcomb-Dutton Lumber Company at Sycamore, Ill.

Ralph Young has resigned as manager of the Rushville Farmers Grain & Livestock Company at Rushville, Ill., and is succeeded by William Eifert.

V. L. Horton, operating a grain elevator and coal business at Tolono, Ill., has installed a feed grinding mill with a 30-horsepower motor and rope drive.

The Sullivan Grain Company has been incorporated at Sullivan, Ill., capitalized at \$60,000. J. B. Tabor, J. L. McLaughlin and W. H. Birch are interested.

The cement house of the Pioneer Lumber Company at Douglas, Ill., has been bought by the Valley Grain Company who has leased the implement business also.

Two frame elevators at Barnes (Normal p. o.), Ill., have been bought from C. F. Scholer by the Barnes Grain Company. The west elevator will be wrecked and the east house will be used for storage.

The drying plant which was part of the Ashbrook Mill and elevator at Mattoon, Ill., has been reconditioned by W. Ernest Orndorff, owner of the Big 4

Elevator Company. The brick section of the drier and its machinery were damaged slightly by the elevator fire. There will be four bins in the new building each with capacity of 2,000 bushels.

The Tindle Milling Company has made plans for the erection of a 150,000-bushel elevator at Springfield, Ill. A large drier has been bought and will be installed in the feed mill for conditioning feed and meal.

MISSOURI, KANSAS AND NEBRASKA

Carl Herman has bought the T. B. Hord Elevator at Madison, Neb., and will use the lumber for buildings on his farm.

The W. T. Waidely Elevator at Elk Creek, Neb., has been bought by A. E. Miller who now controls both elevators at that point.

A new addition has been installed for the Thomas Grain Company of Franklin, Neb., consisting of a new electric traveling truck dump.

The Nebraska Consolidated Mills Company has completed its additional storage at Omaha, Neb., and will soon have it in operation.

The retail coal and grain business of the Nye-Jenks Grain Company at Dwight, Neb., has been bought by John and Charles Novacek.

R. R. Allensworth has resigned with the Security Elevator at Spearville, Kan., and F. M. Komarks of Great Bend will have charge of the elevator.

The interest of O. H. Schenck in the elevator which has been operated at Bellaire, Kan., for years as the Lebanon Mill & Elevator Company, has been bought by C. M. Isom, his partner.

Everett Hardgrove succeeds T. H. Keast as manager of the Offerle Grain & Supply Company at Offerle, Kan. Mr. Keast is now with the Peru Poultry & Feed Company at St. Louis, Mo.

The Security Elevator Company has bought the elevator of the Collingwood Grain & Elevator Company at Hutchinson, Kan. This will add 30,000 bushels to the capacity of the Security company.

The Stafford County Flour Mills, Hudson, Kan., has let the contract to the Jones-Hettelsater Construction Company for additional storage of 75,000-bushels' capacity to the elevator adjoining the plant.

The Dockstader-Thierolf Grain Company of Beloit who bought the 350-barrel mill at Glen Elder, Kan., several years ago and has since then operated it as a grain elevator, has reopened the plant as a flour mill.

Ten city lots have been bought by the L. H. Pettit Grain Company of Hutchinson, Kan. This follows closely upon the purchase of a tract, the site of the new elevator with 150,000 bushels' capacity. This gives them frontage of 317 feet on Sherman Street, East, in Hutchinson.

WESTERN

A new bean elevator has been completed at Basin, Wyo., by Dave Johnson.

The Farmers Grain & Produce Company of Valleyford, Wash., has retired from business there.

The Midland Elevator at Blackfoot, Idaho, has installed a machine for cleaning all kinds of seeds.

L. R. Snyder has taken over the plant of the Nez Perce Grain & Milling Company at Nez Perce, Idaho.

The International Elevator Company is building a 20,000-bushel, 11-bin elevator at Ingomar, Mont.

A new 25,000-bushel elevator is being built at Lambert, Mont., for the Treasure State Grain Company.

The elevator of the Cheyenne Elevator Company at La Grange, Wyo., has been sold to the Lexington company.

Goodwin Joselowitz has been put in charge of the wheat testing laboratory for grading wheat at Glasgow, Mont.

J. V. Pappenfus is now owner and manager of the Progressive Farmers Club Elevators at Plentywood and Midby (no p. o.), Mont.

The interest of Alfred Amon in the Farmers Exchange at Kennewick, Wash., has been bought by his partner, E. G. Lape.

The Farmers Elevator Company of Whitewater, Mont., has let the contract for the erection of a 30,000-bushel elevator there.

A new warehouse with capacity of 5,000 sacks is being built at Kahlotus, Wash., for the Phillippy, Watson & Delaney Grain Company.

G. B. Muser is the new traffic manager for the Summit Grain Company of Denver, Colo., filling the place left by the death of George W. Beran.

A new 20,000-bushel elevator is being built for Patton & Kjos Company at Ledger, Mont. The elevator will be of modern construction and equipment.

An addition has been built to the warehouse of the Interior Warehouse Company at Kahlotus, Wash., which will increase the capacity about 800 sacks.

A half interest in the Greeley Elevator Company at Conrad, Mont., has been bought by E. O.

Berkland. The firm will be known as the Berkland Elevator Company. Several improvements are being made.

New machinery has been bought by the Farmers Elevator Company of Jerome, Idaho. This will be installed in the addition recently completed at the elevator.

A 15-horsepower engine has been installed in the plant of the Montana & Dakota Elevator Company of Hilger, Mont., and a number of repairs have been made.

The Independent Elevator at Fairview, Mont., has been bought from R. Jacobson by the International Elevator Company. S. Patterson is the local representative there.

The Farmers Elevator Company is building a new 30,000-bushel elevator at Helena, Mont. The building will be of the latest design. L. J. Larson is president of the company.

A new elevator is being built at Rimroad, a new station on the Glendive-Circle-Brockway Branch Railroad, near Philipsburg, Mont., by the Eastern Montana Elevator Company.

A new produce company has been formed at Craigmont, Idaho, by E. R. Lenz, N. Lenz and O. H. Carrick to deal in grain, coal, wood, lime, etc. They have installed a modern grain cleaner and treater.

Charles R. McClave, W. N. Smith, Rodney J. Anderson and Samuel Stephenson and O. W. Belden have incorporated at Lewistown, Mont., as the Montana Elevator Company. Its capital stock is \$500,000.

Improvements are being made to the plant of the Smith & Tyner Company of Oswego, Mont., at Frazer, Mont. A new dump and Fairbanks 10-ton Scale and new leg are a part of the improvements. A new automatic scale has also been installed.

The grain elevator at Keota, Colo., formerly operated by the Farmers Co-operative Elevator Company has been bought by the Trinidad Bean & Elevator Company of Trinidad, Colo. The Farmers company filed dissolution papers with the secretary of state some time ago.

The Treasure State Grain Company has completed a new 30,000-bushel elevator at Brockton, Mont. This elevator has two legs operated by motor power with head drives, double distributor, 10-ton Fairbanks Scale with dump and manlift. Herman Ditman is manager.

The Kenworthy Grain & Milling Company of Tacoma, Wash., has opened a branch at Buckley, Wash. Three big warehouses have been leased and the firm of Coughlin & Black will operate them in conjunction with the Kenworthy Grain & Milling Company, in conducting a general grain and feed business.

THE DAKOTAS

S. K. Lillethum is now manager of the Wheat Pool Elevator at Carrington, N. D.

The Elliott Elevator at Rolla, N. D., has been equipped with a new grain cleaner.

Gust Hanson, formerly of Hooker, S. D., is running an elevator at Esmond, S. D.

Remodeling was recently completed for the Farmers Co-operative Elevator at Minot, N. D.

The Atlas Elevator at Mansfield, S. D., has been repaired generally and a new leg installed.

The Equity Elevator at Inkster, N. D., has been opened for business with H. A. Imer as manager.

A new Fairbanks-Morse Coal Scale has been installed at the Eagle Elevator at Castlewood, S. D.

A new annex is to be built to the elevator of the St. Anthony & Dakota Elevator Company at Coulee, N. D.

A new four-way, double distributor has been installed at the Farmers Elevator at Garden City, S. D.

The Thompson Elevator Company has been incorporated at Newville, N. D. M. F. Bertrand is manager.

Several improvements have been made at the plant of the Farmers Union Grain Company at Nahon (Aberdeen p. o.), S. D.

The Farmers Mill & Elevator Association at Devils Lake, N. D., is now under the management of Milton Kelly.

A new 10-ton Fairbanks-Morse Dump Scale and dump have been installed in the Martin Elevator at Merricourt, N. D.

Extensive repairs are to be made to the elevator of the Farmers Elevator & Trading Company of Sentinel Butte, N. D.

The Monarch Elevator Company and the National Elevator Company of Glasston, N. D., have let the contract for repairs and improvements. A scale and dump have been installed in the Monarch Elevator.

The Big Flat Grain Company, a subsidiary of the Winter-Truesdell-Dircks Company of Minneapolis, has bought the Independent Elevator at Fargo,

N. D. Thomas Lillethun of Charbonneau is the new grain buyer for the company.

The Farmers Co-operative Elevator Company of Grandville, N. D., has been reorganized and will open for business soon.

A new Farmers Elevator has been completed at Sioux Falls, S. D. It is equipped with the latest devices for handling grain.

The International Elevator at Walhalla, N. D., has been repaired. The International Elevator at Calvin, N. D., was also repaired.

The Cargill Elevator Company has bought the old Northwestern Elevator at Finley, N. D. R. W. Long will have charge of both elevators.

A Fairbanks-Morse Scale and air dump have been installed and other repairs made to the elevator of the Arvilla (N. D.) Supply Company.

Ole Gremsgard of Rugby is now manager of the Manson Elevator at Rolla, Rolette County, N. D., which was formerly operated by Thomas Conlin.

The Davenport Elevator Company of White, S. D., has discontinued the buying of grain and has sold its property there to the Brown Elevator Company.

A. E. Erickson, A. J. Beaudin and Clara Beaudin have incorporated the Independent Grain Company at Fryburg, N. D. Capital stock of the firm is \$10,000.

The elevator of H. H. Drews at Ashley, N. D., has been sold to J. J. Weixel of Eureka, S. D. Mr. Weixel has engaged Arthur Bross to operate it for him.

Articles of incorporation have been filed by the Federated Grain Company of Lawton, N. D., capitalized at \$25,000. P. A. Minno, H. J. and S. Horwick are interested.

Operations have been resumed in the plant of the Gold Mill & Elevator Company at Hebron, N. D. I. Z. Goldstein recently took over the plant. E. E. Eiser is in charge of the mill.

The Farmers Grain Company has been incorporated at Tolley, N. D., capitalized at \$25,000. L. S. Butte, Andrew Olson, R. L. Ladd, Nels Swanson and August Engeborg are interested.

New coal sheds are to be built for the Great Western Grain Company at Cooperstown, N. D. The building will be divided into eight bins and have reinforced concrete slab foundation.

OHIO AND MICHIGAN

The Van Wert Equity Exchange of Van Wert, Ohio, has installed a corn sheller.

The Seneca Grain Company of Fostoria, Ohio, has installed a grain ticker in its office.

The Liberty Grain Company of Rudolph, Ohio, has made a \$20,000 addition to its property.

Two large reinforced concrete tanks are being built at Fowler, Mich., for the Sturgis Bros.

Improvements and repairs have been made at the Nickel Plate Elevator at West Leipsic, Ohio.

The Brent Creek Elevator Company of Brent Creek, Mich., has motorized and wired its elevator.

The Hankey Company's elevator and potato warehouse at Boyne City, Mich., have been bought by the local co-operative company there.

The Benzie Co-operative Company, Beulah, Mich., has recently installed a fully enclosed, self ventilated five-horsepower ball bearing motor.

The Webster Elevator Company, North Branch, Mich., is installing an attrition mill direct connected to a 30-horsepower fully enclosed, self ventilated, motor.

Hart Bros., at Saginaw have purchased the Wellman elevator at Fenwick, Mich., and it has been in operation for about two weeks. The elevator has been idle for several years.

The Elsie (Mich.) Elevator Company has been bought by the Ithaca Roller Mills which now has elevators in Elsie, Bannister, Ashley and North Star. H. J. Smith will be in charge.

The Belding Coal & Produce Company of Belding, Mich., has recently provided lightning protection for a plant by properly grounding the corners of the iron cladding with copper lightning rod cable.

The Farmers Milling & Elevator Company of Bessemer, Mich., is no longer a co-operative concern. Jacob Mannie is president; Charles Swanson, vice-president; R. L. Bergeran, secretary and treasurer.

Four Fairbanks-Morse completely enclosed self-ventilated motors and ball bearing pillow blocks have been installed for the Farmers Co-operative Grain Company of Kinde, Mich. R. H. Kerr is manager.

Cass City Grain Company of Pinconning, Mich., is installing a Miracle Ace Feed Mixer to be operated by a three horsepower Fairbanks, fully enclosed, self ventilated motor, controlled with an automatic switch.

The Cass City Grain Company, Deford, Mich., is installing a Miracle Ace, cold process, molasses feed mixing outfit. It is also installing a 10 horsepower

motor to operate the feed mixer and a two horsepower motor to operate the molasses pump. Both motors are Fairbanks-Morse, fully enclosed, self ventilated ball bearing type.

The Williamston (Mich.) Elevator Company has recently installed a two horsepower fully enclosed, self ventilated, ball bearing motor for operating elevator legs in the feed mill. This motor is controlled by an automatic switch.

The Shepherd Grain & Bean company has been incorporated at Sheperd, Mich. The new firm has taken over the brick elevator known as the Shepherd Mill Company and will operate a general grain business. Its capital stock is \$25,000.

Isbell Brown Company of Lansing, Mich., is reconditioning its elevator at Durand, which has been idle for several years. The electric wiring is all being installed in conduit and automatic switches are being used to control the motors.

The Cass City (Mich.) Grain Company is installing a Miracle Ace Hammer Mill direct connected to a 50-horsepower motor. This equipment also contains a built in magnetic spout for removal of tramp iron from stock to be ground.

The Michigan Bean Company with headquarters at Saginaw, Mich., recently rewired the electric light wiring in several of its elevators placing it entirely in conduit. This was done at the Vestaburg, Midland, Fenton and Croswell Elevators.

The Mt. Pleasant (Mich.) Co-operative Elevator Company has let a contract for the installation of a No. 4 Jay Bee Feed Mill, direct connected with a 50-horsepower motor. A magnetic spout will be placed ahead of the grinder to take out tramp iron.

The rewiring of the Bancroft Elevator Company's plant at Bancroft, Mich., for three phase motors is practically complete. Fully enclosed, self ventilated, motors were used throughout. On the motors larger than five horsepower, switches with dust tight cases were used.

The Flushing (Mich.) Elevator Company is installing a ball bearing attrition mill and corn shelter to be operated by a 40-horsepower slip ring type of alternating current motor, both the motor and its control switches to be located in a fire resistive room in one corner of the feed mill.

The new elevator being built at Vernon, Mich., by Chatterton & Son is nearing completion. Elevator line shafts throughout are equipped with roller bearings and the individual cleaners and other machines are equipped with ball bearings. A direct connected hammer mill, powered with a 50 horse-

power fully enclosed, self ventilated motor, is being installed to handle the custom feed grinding. This mill will also be equipped with a built in magnetic spout at the head of it to take out tramp iron. All other motors in the plant will be fully enclosed, self ventilated.

Christian Breisch & Co., are enlarging their elevator at Dewitt, Mich., adding to its equipment a double runner attrition mill, powered with one 40 horsepower, fully enclosed, self ventilated motor. They are also adding a 7½ and a five horsepower motor of a similar type, motors being controlled by automatic starters.

McBain Grain Company of McBain, Mich., is completing the motorizing of its plant with motors and will discontinue entirely the engine power. All motors are to be located in fire resistive motor enclosures built of rigid asbestos lumber and reinforced concrete which enclosures are to be ventilated to outdoor air with a two pipe ventilating system. A feed mixer has also recently been installed.

Balderson & Co., of Eagle, Mich., have just replaced their gasoline engine with a 25 horsepower single phase, electric motor, enclosed in a fire resistive motor enclosure built of asbestos lumber and reinforced concrete. This enclosure is of course ventilated to outdoor air. The entire plant has also been overhauled and put in first class shape. Roller bearings were used on the jack shaft which drives the feed mill.

CANADA

Gordon C. Leitch is now in charge of the Sarnia (Ont.) Elevator Company, Ltd., bought recently by James Playfair of Midland.

Grain is being received at the new 3,000,000-bushel annex to Elevator No. 3 at Montreal. The addition brings the total capacity of the elevator to 8,000,000 bushels.

Peter Stewart is now on the laboratory staff of the Canada Malting Company, Winnipeg, Man. He was formerly secretary of the Canadian Seed Growers Association. Prof. W. T. G. Weiner of the field husbandry staff of the Manitoba Agricultural College will succeed him.

The Panama Pacific Terminals, Ltd., has been organized at Regina, Sask., to erect a 1,000,000-bushel elevator at Vancouver, B. C. Its capital stock is \$1,000,000. The elevator will cost \$750,000. John A. Mooney is president and organizer; F. W. Turnbull, secretary and treasurer; and A. J. Gibson, manager of stock sales.

HAY, STRAW AND FEED

J. E. Novak has opened a new feed store at Manly, Iowa.

The McCall Feed Store at Washington, Iowa, has been bought by Cyrus Bush.

P. R. Daniels has opened the Mike's Feed & Seed Store at Myrtle Point, Ore.

A feed grinding mill has been installed in the Farmers Elevator at Sublette, Ill.

A retail feed business has been opened at Sanford, Mich., by Ludwig Segerlund.

The Happy Feed & Seed Store at Greenwood, Miss., has been bought by E. H. Crippen.

A hammer mill has been installed for the Farmers Grain & Stock Company of Polk, Neb.

The Smith & Smith Feed Store has been opened at Hollis, Okla., with Cal Smith as manager.

Feed grinding equipment has been installed for the Dawn (Ohio) Grain & Supply Company.

The Ripley Staf-O-Life Feed Store has been opened at Ripley, Tenn. N. Carter is manager.

Machinery has been bought by Henry Bergman of Minneapolis, Minn., for his new linseed plant.

The name of the Horn Feed Store at Corinth, Miss., has been changed to the Corinth Feed Store.

A. F. Pelto has leased a warehouse at Grand Rapids, Mich., and will carry a complete line of feeds.

The feed mill formerly conducted by J. T. Ware & Son at Friona, Texas, has been leased by H. W. Stark.

A feed mill is to be installed in the elevator of the Farmers Elevator Company at Mount Union, Iowa.

A feed mill for custom grinding has been installed for the Murdock (Minn.) Farmers Elevator Company.

Capitalized at \$50,000, the Nolte-Havemann Company has been incorporated to deal in feed, seed, flour, etc., at Oshkosh, Wis. Frank Nolte, Rudolph

W. Havemann, Herbert Nolte and Walter E. Havemann are interested.

The feed and coal business of the Diamond Lumber Company at Webster, Iowa, has been bought by W. F. Beinks.

The Calloway County Feed & Seed Company has opened for business at Murray, Ky., with Cyrus Owen in charge.

A hammer mill has been installed for the Farmers Elevator Company of Wellington, Kan. E. M. Hale is manager.

The Wayne Feed Mills of Buffalo, Inc., have been incorporated at Fort Wayne, Ind., capitalized at \$100,000. The company was incorporated to operate grain elevators, flour, cereal and feed mills. D. W.,

H. W., and S. W. McMillen, H. D. Egly, A. G. Phillips, T. L. McGee and J. F. Kline are interested.

A hay and feed warehouse is being built at the warehouse of the F. B. Harris Grocery Company at Thomasville, Ga.

The Belmont Feed Store, owned by T. C. Stanphill and D. B. Montgomery, has been put into operation at Belmont, Miss.

Improvements are being made by the Prentice Co-operative Supply Company of Prentice, Wis., including a new feed warehouse.

An attrition mill has been installed for the Equity Warehouse Company of Mankato, Minn., doubling its grinding capacity.

The Hunting Elevator at Lake City, Minn., has been taken over by J. Wilson who will use it in the enlargement of his stock feed business.

The warehouse and feed store of W. J. Spry at Granton, Wis., has been bought by O. W. Trindall, who operates a similar business at Loyal.

The feed and fuel department of the Farmers Mill & Elevator Association at Devils Lake, N. D., is under the management of Milton Kelly.

The Clark Feed Company has been incorporated at Puyallup, Wash. Hugh B. Clark, F. A. Haines, E. D. Hodge and R. C. Calloway are interested.

A feed warehouse is to be built to the elevator of the Miller Elevator Company at Hutchinson, Minn. Fred Kreitlow is local manager of the company.

Clarence W. Barker, Louis Bennett and J. Thomas Osborne have incorporated at Spencerport, N. Y., as the Spencerport Coal & Feed Company.

The L. & G. Feed Company, Inc., has been formed at Galesburg, Ill., capitalized at \$40,000. G. W. Gard, Louis Gard and Edward Lundgren are interested.

A retail feed store has been opened by C. E. Hutton at Osakis, Minn., as the Hutton Feed Company. He was formerly manager for the Osakis Milling Company.

A retail flour and feed store has been opened at Tell City, Ind., by Arthur Hinton. It will be known as the Hinton Flour & Feed Company with Mr. Hinton as manager.

The feed store of J. R. Starr at Tiosa, Ind., has been bought by Herbert Fry who owns and operates an elevator at Tiosa, Ind. It was bought from Mr. Starr by Mr. Fry recently.

Paul H. Henderson is now a member of the firm of L. J. Rhodes & Co., feed and grocery dealers of Halls, Tenn. The firm is an old one, having been established 27 years ago.

A feed grinder and electric motor have been installed for the Clare Hay, Grain & Bean Company of Clare, Mich. The company will also carry a full line of prepared feeds.

C. D. Boyles has resigned as chairman of the board of the Albert Dickinson Company of Chicago, and retired from business. He has been with the company for more than 50 years.

The Worthington Produce Feed Company has been opened at Worthington, Ind., and will occupy the Claude Rogers Building, which was formerly occupied by the Farmers Feed Store.

A modern feed mill has been installed for the Osborn-McMillan Elevator Company at South Haven, Minn. N. A. Brown is manager. Electrical power is being used instead of gasoline engine.

Capitalized at \$25,000, the North Side Feed & Coal Store, Inc., has been formed at Minneapolis, Minn., to deal in feeds of all kinds, etc. Carl Kogan, Sam Krasner and L. Friedman are interested.

A partnership has been formed by Robert and William Lambeck of Tell City, Ind., and a feed store bought which for a long time was operated by the Bergenroth Bros. of Troy. It will greatly improve the plant and build new addition to the building.

FIRES-CASUALTIES

Pepin, Wis.—The R. E. Jones Grain Elevator was destroyed by fire.

Bay Shore, L. I.—Fire damaged the store of the Bay Shore Feed Company.

Portland, Ore.—Fire damaged the plant of the Hogan-Jacobs Feed Company.

Buffalo, N. D.—Fire destroyed the Cargill Elevator No. 1 with a 15,000 loss.

Princeton, Ind.—The grain elevator of Fort Garrett and Fred Antell was damaged by fire here.

Lindsey, Kan.—The elevator of W. R. Bullen was damaged by fire of unknown origin on October 1.

Emerado, N. D.—The elevator of the Emerado Farmers Co-operative Elevator Company burned.

The company has let the contract for a 30,000-bushel elevator to replace it.

Kingston, N. Y.—Fire destroyed the hay warehouse of D. Ebel & Son, flour and feed dealer here.

Ellis, Kan.—Floods damaged the plants of the Wheatland Elevator Company and the H. D. Lee Company with a loss of \$5,000. The grain office of Ross & Waldo was also damaged.

Fort William, Ont.—The major portion of the 250,000-bushel elevator of the Gillespie Grain Terminal Elevator Company was destroyed by fire on September 30, with a loss of \$250,000.

Belchertown, Mass.—The grain mill and elevator of Ryder & Warren on September 28 was destroyed

with a \$50,000 loss. The contents included 15 carloads grain and considerable lumber.

Buffalo, N. Y.—Fire damaged the plant of the Spencer Kellogg & Sons on September 20 with a \$10,000 loss.

Battle Lake, Minn.—Fire damaged the C. W. McGaffey Elevator. The fire originated in one of the legs.

Sabina, Ohio.—Fire destroyed the W. A. Linkhart Grain Elevator with a loss of 17,000. The insurance was \$10,000.

Four Lakes, Wash. — Fire destroyed the warehouse of the Washington Grain & Milling Company on August 31.

Monroeville, Ohio.—Lightning slightly damaged the cupola of the elevator of the Seaman-McLean Company recently.

Tea, S. D.—Fire reported as being caused by a hot bearing damaged the elevator and coal shed of J. P. Olson on October 5.

Ellensburg, Wash. — The frame, shingle roofed warehouse of the W. H. Pope & Co., here was burned, with a \$2,000 loss.

Princeton, Ind.—Fire damaged slightly the Garrett & Antell Elevator here. Considerable damage was done by fire and water.

Cresbard, S. D.—Fire damaged slightly on September 15 the elevator property of the Cresbard Co-operative Elevator Company.

Fort Union, Mont. — Fire originating in brush along the railroad track destroyed the elevator of F. A. Weinrich on September 30.

Canadian, Texas.—Fire damaged the plant of the Liske Grain Company. The damage was caused by the friction of a choked leg belt.

Loda, Ill.—The elevator of the Loda Farmers Co-operative Grain Company was slightly damaged by fire of unknown origin on October 4.

Waskada, Man.—On September 30 the United Grain Growers Elevator collapsed and 30,000 bushels wheat were thrown on the ground.

Beaumont, Texas.—The grain in storage in the plant of the Josey-Miller Grain Company was damaged by fire. The fire started from the motor.

Coates Grove (Hastings p. o.), Mich.—Fire slightly damaged the belting and machinery in the plant of the Smith Bros. & Velte Company on September 19.

Yuma, Ariz.—Fire destroyed the warehouse and retail store of John C. Eichenauer on September 14. His property was operated as the Yuma Seed & Feed Company.

West Jefferson, Ohio.—Friction in the elevator leg was the cause of a fire which slightly damaged the elevator of the West Jefferson Elevator Company on September 9.

Berwick, N. D.—The Farmers Elevator, together with the Acme Elevator, burned on September 8. The fire was due to the exhaust of a gasoline engine in the Farmers Elevator.

Great Bend, N. D.—Fire on October 4 destroyed the Farmers Elevator with 7,500 bushels wheat and flax which had been loaded into cars on the switch track adjoining the elevator.

OBITUARY

BAUGHMAN.—William Baughman died recently at Tiffin, Ohio, from paralytic stroke. He was formerly in the grain business at Upper Sandusky, Ohio.

BERAN.—George W. Beran died on September 17. He was traffic manager for the Summit Grain Company and lived at Denver, Colo.

CAMPBELL.—Harry A. Campbell died at Selby, S. D. He was manager of the Selby Equity Union Exchange.

DINGMAN. — Charles William Dingman died while on a visit to Boston, Mass. He was one of the organizers of the Armour Grain Company and for years was its secretary and treasurer. He retired in 1920 and had been living at Rome, N. Y. He was 74 years old. His widow and one daughter survive him.

GOOD.—M. S. Good, owner of the East Fayetteville Elevator, was killed in an automobile accident at Chambersburg, Pa. His wife and daughter who were with him at the time were seriously injured.

HAROLD.—Arthur W. Harold died at Buffalo, N. Y. He was one of the best known grain merchants there and for 35 years had been active in that market.

HAYES.—Walter E. Hayes died on September 6 aged 67 years. He was a veteran in the feed business at Kokomo, Ind. He was connected with the Darnell & Davidson Mills for 16 years and when that dissolved entered the retail flour and feed business under his own name.

HUGHES.—David L. Hughes died from injuries

received in an automobile accident at Dayton, Ohio. He was treasurer of the Hughes Seed Company, Inc., of Miami, Fla.

JACKSON. — Miss Clyde Jackson died recently aged 58 years. She was owner and operator of a grain elevator at Petersburg, Ind., and is said to have been the first woman in southern Indiana to operate a grain elevator.

KICKLIGHTER.—Spencer Kicklighter died at Atlanta, Ga., recently. He had been connected with the A. P. Morgan Grain Company there for 35 years as bookkeeper.

KINCAID.—Lee Kincaid, second president of the Illinois Farmers Grain Dealers Association, died recently at Springfield, Ill.

LINDMAN.—John J. Lindman died recently aged 74 years. He was a member of the Chicago Board of Trade for nearly 50 years. He was contemplating retirement from the firm of F. L. Schriner, Chicago, successor to Lindman & Co., which he founded when death overtook him.

LINDSTRAND.—Gust Lindstrand died at Warren, Minn. He was for 30 years manager of the local Spaulding Elevator. His widow and five children survive him.

LYTLE.—David Levi Lytle died at Watertown, S. D., after a long illness. He was for years grain buyer there for the Pacific Grain Company of Minneapolis.

MAGNUS.—Frederick Magnus died aged 56 years at Starkweather, N. D. He was a partner of Wm. Noyes in the grain elevator business, and conducted a grain elevator known as the Magnus & Noyes Elevator.

MCLEAN. — Colin McLean died at Vancouver, B. C. He was for years in the grain business at the Head of the Lakes. He was a member of the Harbor Commission in 1923 and later became superintendent of the Empire Stevedoring Company.

McMANUS.—H. J. McManus was killed when he

ran into a hayrack on the highway near Ransom, Ill., on September 19. Blinded by the sun he did not see the pole projecting from the hay rack and this went through the windshield, striking him on the jaw. Mr. McManus was a grain dealer of Kinsman, Ill.

McROBERT. — James H. McRobert died from pneumonia at home in Luverne, Minn. He was for more than 30 years a resident of Ellsworth and owner of the McRobert Elevator.

PLOSSER.—Charles R. Plosser died on September 1 at Birmingham, Ala. He was president of the Bradshaw-Plosser Warehouse Company and former officer of the Plosser-Knecht Flour & Grain Company.

SMITH.—S. Smith died at Joplin, Mo., aged 92 years. He was formerly in the grain business at St. Louis, and was a Civil War veteran.

STEELE.—George Steele died at Barnesboro, Pa., aged 55 years. He was for a number of years in the wholesale feed and grain business. Paralysis caused his death. His widow and son survive him.

THATCHER.—John H. Thatcher died on September 20. He was president of the Avondale Alfalfa Milling & Elevator Company of Avondale, Colo.

TUCKER. — Carl J. Tucker, associated in the Tucker Seed House at Carthage, Mo., died on October 4. He was injured in an automobile accident and never recovered.

VAN BRUNT.—Walter Van Brunt died aged 83 years on October 4. He was one of the incorporators of the Duluth Board of Trade.

WOOD.—Fred Wood died aged 43 years. He was formerly a grain broker at Terre Haute, Ind., but had gone to Los Angeles because of failing health. His widow and six children survive him.

YOUNG.—C. A. Young died recently. He had been a member of the Winnipeg Exchange since 1897 and was its president in 1902.

FIELD SEEDS

(Department continued from Page 258)
SEED SHIPPED FROM ABROAD

Reports from Europe this month indicate larger Red Clover seed crops in England and northern France. Favorable weather during the first week or two of September improved the prospects for crops in parts of Poland, Czechoslovakia, and Hungary. Several districts in Germany will harvest some Red Clover seed this year.

During the three months, July to September, 116,200 pounds of Red Clover seed were permitted entry. No seed was permitted last year during the same period in contrast with 290,700 pounds two years ago, which constituted the largest imports for the period since 1922.

OHIO SEED NEWS

By S. M. BENDER

Clover seed prices continued to show strength during the past month. Offerings of both October and December were readily absorbed by buyers. Hedging sales are more frequent and there has also been some profit-taking by investors. Red Clover seed production is estimated by the Department of Agriculture to be about one-third smaller than the crop of last year. Condition for the United States on October 1 was given as 71.1 against 78.9 a year ago at the same time. Decreased acreage in most of the growing districts ranged from 25 to 60 per cent. This was given as the principal cause for the falling off in production. Yields were also much smaller than a year ago. Production is expected to be smaller in all the principal producing states with the possible exception of Minnesota. This year's crop follows an unusually large one which was preceded by four small ones consecutively. Weather conditions were largely responsible for small crops, though not entirely, because there has been a marked tendency in recent years to substitute other crops like Alfalfa, Sweet Clover or Soy Beans.

Many farmers, however, realize that even at the high prices prevailing for the past several years, Red Clover is the best rejuvenator of worn-out land. Fall trade in cash Clover is opening up and dealers report inquiries showing a steady increase. Stocks here are light both of old Clover and new, but receipts are increasing weekly. Alsike is selling at about a dollar over Red Clover and the amount available is reported to be very limited. The crop was short this year and quality below normal. Timothy has been strong and higher, with good demand, especially for old and new prime.

About half of the crop is now out of farmers' hands, according to the official reports of the Department of Agriculture. Late harvesting retarded the movement to some extent.

DULLNESS FOLLOWS SLIGHT FLURRY IN NEW YORK SEEDS MARKET

By C. K. TRAFTON

For a short time following the writing of our previous review a moderate expansion of business was noted in the New York seeds market. Jobbers and retailers were showing more disposition to stock up in anticipation of a better demand from actual consumers as a result of the clear and dry weather. Toward the end of September, however, the weather again became wet and considerably colder, with frost reported in some sections, and as a consequence buyers were again showing little interest. Early in October some of the leading wholesale distributors were inclined to admit that the fall trade was over, although the return of more satisfactory weather aroused hopes in some quarters that a broader demand might be witnessed from tardy buyers who had been deferring their purchases because of the poor weather prevailing previously.

Timothy was the center of interest during the greater part of the month, especially during mid-September, when domestic buyers were showing more interest while the foreign inquiries previously noted resulted in a moderate business for shipment to the United Kingdom and the Continent. At the same time advices from interior markets were stronger owing to unsatisfactory crop reports, prospects of disappointing production, and some interruption to the movement because of the cold weather.

Alfalfa advanced 1½ cents, or to 23 cents, as buyers were showing more interest owing to fears that supplies will prove to be insufficient in spite of the carry-over.

Red Clover was featured by a further advance of ½ cent in the domestic variety, or to 32 cents. This reflected fears that the season's supplies will be short and also a growing belief that consumers will show a marked preference for home-grown Clover over the foreign article. This idea was also reflected by a decline of ½ cent in imported Clover, or to 23½ cents, duty-paid.

Crimson Clover quite definitely came to the end of its season, but in spite of a small carry-over holders were firm, advancing their spot basis from 11 cents to 11½ cents, and in some cases up to 12

cents. Arrivals were only about 750 bags, compared with about 6,840 for the preceding month. European shippers are offering at 9 cents c.i.f. without interesting buyers.

INSPECTION TOUR ON FUNK FARMS

An interesting inspection tour was recently given a group of Chicago men through the Funk Bros. Seed Company's plant and the Funk Farms at Bloomington, Ill. At the Eugene Funk Farm Dr. J. R. Holbert of the United States Department of Agriculture held an interesting discussion. Dr. Holbert is using a huge refrigerator in his experiments to find what strains of corn will resist the frost or temperature around the freezing point. Certain strains of corn, it has been found, are not injured, while others were killed or seriously injured.

After a fried chicken dinner served by Mrs. Eugene Funk and daughters, the visitors spent the afternoon inspecting corn plots on the farm and investigating numerous experiments now under way there.

ALSIKE SEED MOVES SLOWLY

Movement of Alsike Clover seed has been slightly slower than that of recent years. About 40 per cent of the crop had left growers' hands up to September 25, compared with 50 per cent last year and three years ago, and 60 per cent two years ago, when the movement was usually rapid. Movement so far has been most rapid in southern Idaho and northeastern Wisconsin and slowest in Western Wisconsin, northeastern Iowa, and Illinois.

Prices offered to growers on September 25 in the important districts averaged \$25.75 per 100 pounds, basis clean seed, compared with \$23.65 a month before and \$21.20 in 1927, \$24.15 in 1926, and \$19.50 in 1925 on about the same date. The highest average prices were reported for central Indiana and southern Idaho and the lowest in northeastern Wisconsin, southern Michigan and southwestern Ohio.

RED CLOVER SEED MOVING AT HIGHER PRICES

Early movement of Red and Alsike Clover seed has been slow in getting under way, largely on account of late threshing. Up to the last of September, about 15 per cent of the Red Clover seed and about 40 per cent of the Alsike had been sold by growers, according to the United States Bureau of Agricultural Economics. On a corresponding date last year about the same percentage of Red Clover but about 50 per cent of the Alsike Clover had been sold.

Prices offered to growers were higher for both kinds than at harvest and higher than last year. Although prices averaged \$3.90 per 100 pounds higher than a year ago for Red Clover and about \$4.55 higher for Alsike Clover, growers were not inclined to be free sellers, especially of the latter.

Quality of both these seeds, especially Alsike, averages poorer than last year for the country as a whole. In the majority of districts the quality of the Red Clover seed was reported fair to good and in one or two districts, good to very good. Quality of the Alsike was more spotted and was reported fair in the majority of districts while good to very good quality was likewise reported from one or two districts, and fair to poor in a few others. Prices offered to growers on September 25 in important districts averaged \$26.45 per 100 pounds, basis clean seed, compared with \$25.15 a month ago.

HOOSIER SEED NEWS

By W. B. CARLETON

Both wholesale and retail seed men in Indiana towns and cities report a fair volume of trade during the past month or two, although they say that trade has not been rushing.

Vic Smith, who for a number of years has been engaged in the retail seed business at Bowling Green, Ky., was a recent visitor in Evansville and called on the writer. He said his trade had been good all of this year, in fact the volume had been larger than last year and he has no complaint to make. Mr. Smith is contemplating a number of improvements to his plant in Bowling Green some time during the coming year.

William Jones, who for many years was engaged in the seed and feed business at Eureka, Ind., but who now holds a Government position in Washington, D. C., will arrive at his home in Spencer County in a short time and spend a few weeks before the election. He has been active in politics for a number of years and is well known to the trade in southern Indiana.

Clover hullers in Indiana have been busy during the past month. Most of the crop has been hulled and the yield this year was about up to the average. Indiana farmers also had a good yield of Timothy hay this season, although the quality was no better than last year. There now is a scarcity of feed reported in many parts of the state and quite a few farmers have started feeding their winter feed and

they predict that by spring the price of all feeds will be high. Wheat sowing has been in full blast for the past several weeks. The acreage sown in Indiana this year will not be as large as that of last year. Many of the Hoosier farmers have had some difficulty in getting good seed wheat this fall.

J. A. McCarthy, of the J. A. McCarthy Seed Company, of Evansville, was one of the main speakers at a farmers' picnic near Inglefield recently. He discussed many things of interest to the farmers.

Ben Hudson, who for many years was connected with the old Small Seed Company of Evansville, now travels through southern Indiana for another concern.

Farmers in southern Indiana as well as the central part of the state report that their corn this fall is not as large as they had contemplated. Mostly white corn is raised in Indiana and many of the cornmeal manufacturers are trying to induce Indiana farmers to raise more yellow corn as they say yellow corn has a greater food value than white corn and that it contains more oil. White corn raised along the famous Wabash River each year is sold almost exclusively, it is said, to hominy manufacturers.

WHITE CLOVER SEED MOVEMENT AHEAD OF LAST YEAR

White Clover seed movement was fairly rapid during the four weeks ending September 30, according to the United States Bureau of Agricultural Economics. It is estimated that about 60 per cent of the crop had been sold by growers up to that date. This movement compares with 45 per cent a year ago and 65 per cent two years ago. Early movement was retarded by a backward season and the stress of other farm work, which prevented growers from marketing their crop. In general growers were free sellers.

Prices in Wisconsin settled slightly lower since harvest. On September 25, growers were offered mostly \$20 to \$22 per 100 pounds, basis clean seed, compared with \$20 to \$25 a month ago, \$20 a year ago and \$20 to \$25 two years ago. Quality of the crop was reported poor to fair. Scattered reports from Louisiana and Idaho indicated that slightly higher prices were being paid and quality was ranging fair to good.

In general conditions have been more favorable in Europe. Quality was very good in England but has varied somewhat in the different European districts as much of the seed was reported to contain Alsike and sorrel.

Imports continued unusually heavy. *September imports were the highest since 1921*, amounting to 128,600 pounds in contrast with 23,000 last year and 51,800 pounds two years ago during the same month. Imports for the period July 1 to September 30, 1928 amounted to 505,800 pounds, compared with 106,800 in 1927 and 213,000 pounds in 1926.

SEED COMPANY EXPANDS FEED MANUFACTURING BUSINESS

A company which is probably best known for its seed business has recently expanded—to enlarge its facilities for handling its ever growing feed manufacturing business. The Rudy-Patrick Seed Company of Kansas City, Mo., was formed in 1911 and since then has been known as specialists in excellent seed. Later on it expanded and added feed manufacture to its business. Now it has bought the plant of the former Atlas Cereal Company at Eighth and Santa Fe Streets, Kansas City, Mo. The mill is of brick construction with 55,000 square feet of ground, and has an elevator of 250,000 bushels' capacity in connection with it. The cereal plant was erected during the war as a daylight rolled oats plant and elevator, but heavy losses caused the plant to close down. A local bank took it over and it was from the bank that the Rudy-Patrick company bought it.

Heretofore the Rudy-Patrick concern has been conducting its feed manufacturing business in a smaller mill at Second and Nebraska Avenue, Kansas City, Kan.

H. S. Patrick is president; Roy Edwards, vice-president; John W. Miller, secretary; and Wilbur E. Hoover, treasurer.

SWEET CLOVER SEED PRODUCTION ABOUT SAME AS LAST YEAR

Production of Sweet Clover seed is expected to be about the same as last year, when the crop turned out somewhat smaller than in 1926. According to reports received by the United States Bureau of Agricultural Economics from approximately 1,000 growers and shippers, acreage saved for seed was slightly larger than last year but harvesting and threshing had not been completed. Yield per acre was expected to be somewhat smaller. Prices offered to growers were about the same as a year ago.

Although the total acreage of Sweet Clover has been increasing for several years, the acreage cut for seed has not been increased accordingly. Apparently growers made greater use of the crops

this year for other purposes, such as for pasture and for green manure, as hay and pasture have not been so plentiful as usual. General growing conditions were not so favorable as a year ago. In a few sections damage has been done standing Sweet Clover by frost. Heavy rains have also whipped out the seed in several localities and have prevented both harvesting and threshing. Rank growth resulted in some sections.

Three hundred sixty-eight growers in the United States, whose aggregate acreage harvested for seed this year amounted to 18,908 acres, reported yields per acre which averaged 235 pounds or about 5 per cent less than last year.

IMPURE SEED CHARGED TO 27 SEED FIRMS

A number of seed dealers offering Redtop seed for sale continue to handle adulterated or misbranded lots, according to the United States Department of Agriculture. In examining Redtop seed in 436 mail samples and 113 purchased lots, the seed laboratory of the Bureau of Plant Industry found the seed from 27 firms to be adulterated or misbranded. In all cases Timothy seed was the principal adulterant, although some samples ran as high as 27 per cent dirt and chaff and as low as 49 per cent Redtop.

Names and addresses of the offending firms are published in the service and regulatory announcements by the department, in accordance with the act of Congress making appropriations for such investigations.

The Bureau of Plant Industry will continue to examine and report promptly as to the presence of adulterants and dodder in any sample of seed of grasses, Clover, or Alfalfa, and lawn-grass seeds secured in the open market and submitted for such analysis. According to the location of the sender, these samples may be sent to the seed laboratory at Washington, D. C., or to any of the following co-operating laboratories: Co-operative Seed Laboratory, California State Department of Agriculture, Capitol Extension Building, Sacramento, Calif.; Co-operative Seed Laboratory, Oregon Agricultural College, Corvallis, Ore.; Co-operative Seed Laboratory, Purdue University Agricultural Experiment Station, La Fayette, Ind.; Co-operative Seed Laboratory, Missouri Agricultural Experiment Station, Columbia, Mo.

SEED CONFERENCE IN MINNESOTA

A state seed conference was held on October 10 at the University of Minnesota under the direction of the Agricultural Extension Service of the University, the Minnesota Crop Improvement Association, and the recently organized Minnesota Seed Dealers Association.

The purpose of the conference was to launch a constructive, co-ordinated program of education and demonstration proving the practical value of good seed. It sponsored the promotion of a strong program of crop standardization; the sale and use of native adapted seed and the disuse of imported strains and nondescript varieties; the education of the farmer in the menace of weeds, and the use of control methods by planting seed which has been cleaned and processed.

MILWAUKEE SEED NEWS

By C. O. SKINROOD

An exceedingly strong seed market is being reported by some of the leading handlers of this commodity at Milwaukee. The buying demand is also exceptionally good for this season of the year, some of the dealers state. It is believed that seed buyers are reverting to the policy of getting hold of their seeds early this season, fearing that the short crop yields in most cases will mean still higher prices later on in the year.

The Red Clover yields are not as large as expected. The crop proved to be, according to best estimates, not more than a 50 to 60 per cent of the normal harvest. The buying demand has also been of large volume. The quality of the seed this season appears to be rather mixed.

The Timothy market appears to be very strong, with the supply even more limited than the reports a month ago would have indicated. Here too, the yield is estimated by experts at not much more than 50 per cent of the average yield. This market has advanced even more than Red Clover with gains of about \$2 in the last 30 days. Still greater advances are looked for before the next planting season rolls around.

The Alsike yields, according to the best estimates of local handlers, is also about 50 per cent of the normal output. There has been a fair movement of this seed up to date. The quality here too is badly mixed as a result of the rainy season when the crop was being harvested. Some of the samples are of excellent quality, while others are low grade, or at best of medium grade. The advance in this class seed has been about \$2 in the last month. This seed is selling right neck and neck with the Red Clover.

Last month a large crop of Sweet Clover seed

was reported in prospect in this state, but seed handlers state now that the rains were so excessive about harvest time that much of the seed will not be salable, or at least the supply of really fine seed will not be much more than 50 per cent of a normal crop. There will be a great deal of poor seed.

Not much Alfalfa is moving as yet, the Milwaukee seed dealers declare. Early statements concerning the crop were that the yield should be fair to good. Now, it is said, excessive rains have also damaged the seed in a number of the leading western producing states.

Prospects are for a large crop of seed corn, the Milwaukee seed handlers say. The fields have matured pretty well and high grade seed is expected as a result. It is also believed that plenty of seed will be saved from the big yields, so that supplies would be ample for all requirements. Nebraska corn yields are especially reported as large and a large portion of the seed corn supply is likely to

come from that state, according to expert opinion here.

Wisconsin growers of the smooth or Velvet barley held meetings at Green Lake and other points to determine just what price should be charged for this seed sold on a co-operative basis. About 3,000 bushels of this fancy barley will be available for planting next year. It was decided that \$1.50 should be the price charged for the recleaned seed. Some of the farm producers of this barley reported that they had been offered \$1.50 a bushel for their barley for the entire farm holdings of some of the raisers.

J. J. Soik, Portage farmer, experimented the past season to see just what fertilizer would do for Sweet Clover fields. Where phosphate and potash were used to jazz up the fields, it was found that the Sweet Clover would grow three or four times as high as in the unfertilized fields.

SUNFLOWER SEED PRODUCTION LARGER

Sunflower seed production is expected to be slightly larger than last year according to the United States Bureau of Agricultural Economics. Smaller production in Missouri is expected to be offset by larger crops in California and Illinois. The carryover in all sections was reported as smaller than usual. Opening prices were about the same as a year ago in California and slightly higher in Missouri. Good average crops are expected in Roumania, Bulgaria and Hungary.

Acreage of sunflower seed in Missouri is expected to be about the same as last year but yield per acre is expected smaller. Production is estimated at about 2,500,000 pounds, compared with 3,500,000 last year. Harvesting began the first two weeks of September, which was a month to six weeks earlier than last year, when it was unusually late. The crop was expected to be ready for market about October 15. Additional acreage was planted but a large percentage was lost on account of excessive rainfall in June, which was especially destructive to the early plantings.

Acreage in Illinois was nearly doubled in the district in the central part of the state, but fell off sharply in the southern district on account of weevil attacks. Growing conditions were favorable in the central part of the state.

The crop in California, estimated at about 4,500,000 pounds, compared with 3,500,000 last year is the largest in eight years or more. Larger production was due to the increased acreage in the delta land south and west of Stockton and in smaller increases in the Modesto and Woodland districts.

The Wisconsin Seed Company of Waupaca, Wis., has increased its capital stock from \$10,000 to \$25,000.

The Occidental Seed Company has been incorporated at Salt Lake City, Utah, capitalized with stock amounting to \$50,000.

A seed store has been opened at Waltherboro, S. C., by E. M. Jones. In addition to seed, Mr. Jones will handle feeds.

Capitalized at \$50,000, the Johnson & Son Seed Company has been incorporated at Tulsa, Okla. H. H. Johnson is interested.

The Perry Seed Company of Boston, Mass., was incorporated by Stanley R. Perry, Eva Perry and Wilfred G. Paine. The Perry Seed Company bought

the business of the Fiske Seed Company and the consolidated business will be carried on at 12 and 13 Faneuil Hall Square, the old stand of the Fiske Seed Company.

The Basque Seed Company, Inc., has been incorporated at Lafayette, La. Odon A. Guidry and Frank M. Basque are interested.

The Griswold Seed Company of Lincoln, Neb., has been incorporated, capitalized at \$15,000. Wallace B. and W. Newton Griswold are interested.

A Clover cleaning machine has been installed for the Lake of the Woods Cloverseed Association at Baudette, Minn. Peter Sorenson is president of the association.

The Dassel Seed Company has been incorporated at Dassel, Minn., capitalized at \$10,000. Knute Johnson, Carl G. Porter and Anna S. Johnson are interested.

The Hudmon Seed Company of Nashville, Tenn., has added the Insurance line of poultry feeds manufactured by the Ballard & Ballard Company of Louisville.

A new cleaning plant and warehouse have been put into operation at Mount Vernon, Wash., by A. L. Aabling, seed grower of Portland and Mount Vernon, Wash.

The capital stock of the Sherman-Magnolia Seed Company of Dallas, Texas, has been changed from \$30,000 to \$50,000 and the name changed to the Magnolia Seed Company.

The Nolte-Havemann Company has been incorporated to deal in seed, flour and feed at Oshkosh, Wis. Frank Nolte, Walter E. Havemann and Rudolph W. Havemann are interested.

Dave P. Campbell has resigned the vice-presidency of the Lewis Implement & Seed Company of Louisville, Ky., and is with Charles M. Scott in the Scott Seed Company of New Albany, Ind.

Prof. W. T. G. Weiner has accepted the position of secretary of the Canadian Seed Growers Association. He was formerly of the field husbandry staff of the Manitoba Agricultural College.

A group of seed and orchard men have bought the Percy Bros. Seed Store at Salem, Ore., and the name has been changed to the Salem Seed & Orchard Supply Company. O. B. Long is manager of the company.

Articles of incorporation have been filed for the Sioux City Seed & Nursery Company of Sioux City, Iowa, capitalized at \$1,000,000. It has been authorized to open a milling, warehouse and shipping station at Billings, Mont.

An addition is being built to the property of the Henry Field Seed Company of Shenandoah, Iowa, to house more merchandise and care for more visitors. It will bridge the driveway between the main building and the studio.

W. P. Lakin has gone back into business at Miles City, Mont. The name of the firm is the Lakin Seed Company succeeding the Lakin Bros. who were in business there for years. The Lakin Seed Company will handle seed and grain.

A seed and implement business is to be conducted at Paris, Tenn., by Gibson & Smallwood. It was formerly Gibson & Williams. Charles Williams sold his interest in the company to John Smallwood. The business was organized 34 years ago as the Porter Bros.

Crawford, Keen & Co., well-known distributors of seeds and various other commodities in New York City, with offices also in Buenos Aires, announced early in October that they had arranged to handle the selling of seeds, peas and butter in the U. S. for Dalgety & Co., Ltd., who have their head offices in London with eight branch offices in New Zealand and 13 sub-branch offices in the interior.



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NEW HAY HEARING IN OMAHA

The Interstate Commerce Commission has announced that hay rate hearings in connection with the Hoch-Smith rate structure inquiry, will be resumed on November 12, at Omaha, Neb.

Examiners Worthington and Walsh will then hear evidence in Kansas City, Mo., on November 15, and in Fort Worth, Texas, on November 26. Further hearings will be announced later.

SIOUX CITY SEED RATES SUSPENDED

By an order entered the last of September, the Interstate Commerce Commission suspended from October 1, 1928, to May 1, 1929, the operation of certain schedules as published in Supplement No. 29 to the C. & N. W. Railway's I. C. C. Tariff No. 9594. The suspended schedules proposed to cancel specific commodity rates on Sweet Clover seed in carloads, from points in Minnesota and the Dakotas, to Sioux City, Iowa, leaving higher class rates to apply.

Supplement No. 34 to the Milwaukee Line's I. C. C. Tariff No. B-5403, which has a similar purpose, also has been suspended until May of next year.

GRAIN DEALER SPOKESMAN FOR FARMERS
IN SEATTLE RATE QUIZ

Montana grain growers must have lower rates to the Pacific Coast ports than to Minneapolis if they are not to be eliminated from coast markets, W. G. Greeley of Montana, a grain elevator operator, informed the Interstate Commerce Commission recently at the grain rate hearing in Seattle, Wash.

Examiners Arthur Macklay and George J. Hall in their cross-examination of witnesses went deeply into the question as to who benefits by the differential in the export and domestic rates, whether the elevators and the buyers pocketed the difference or whether the difference went back to the producer.

Mr. Greeley and J. P. Patton, independent grain buyer of Great Falls, Mont., rebuttal witnesses for North Pacific Coast interests, contended that as long as the export rates were continued the grow-

ers would benefit by having keener competition and broader markets.

"Why does a large percentage of the wheat you buy and sell move westward?" Examiner Macklay asked Mr. Patton.

"Because of the better market at Seattle," was the reply.

"Well, can you as a rule pay better prices on wheat that goes to the Seattle market than you can on that which goes eastward?" the examiner continued.

"Most always," was the reply.

Mr. Greeley was asked: "Would competition be
(Continued on Page 266)

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reduced if the export rates were cancelled?"

"It would," he said.

"The cancellation would affect the price and restore a condition which existed prior to this rate going into effect?"

"It most assuredly would," came the reply.

"You ship to Seattle on the domestic rate," Mr. Hall said, "and if the grain goes export, who gets the difference, the elevator or the farmer?"

"We sell subject to the difference and the prices paid the grower are based upon the possibility of the grain being exported, so that as a general rule the grower gets the benefit of the lowered rates by receiving a higher bid on his crop," Mr. Greeley declared.

GROWERS LOSE RATE CASE

By Division No. 3, of the Interstate Commerce Commission the wheat rate case of the Oklahoma Wheat Growers Association against the Abilene & Southern R. R., has been dismissed. The decision was that grain and grain product rates cited from Oklahoma to the Lone Star State, were not unreasonable.

The growers contended that the rates were figured on the basis of a longer routing than necessary, and asked for reparation.

SOUTHWESTERN GRAIN RATE BOOST STOPPED

By its order entered and effective this month, the Interstate Commerce Commission has suspended for seven months the Kansas City, Mexico & Orient Railway's schedule proposing to restrict the routing of export grain on points of that line in Oklahoma to Louisiana ports. The route restriction would have automatically brought rate increases. The affected schedule is Supplement No. 6 to the K. C., M & O. Tariff No. 372.

BOSTON WINS A ROUND IN SEABOARD RATE FIGHT

The Interstate Commerce Commission made public on October 5, a proposed report in a proceeding on a complaint of the Baltimore Chamber of Commerce in which Attorney-Examiner R. N. Trezise recommends findings by the Commission that rates on ex-lake grain from Erie, Pa., to Baltimore for export, and one ex-lake flour and general commodities, except coal, from Buffalo and Erie, to Balti-

more, for export, are unreasonable and unduly prejudicial to Baltimore to the advantage of New York. Other findings recommended by the examiner, if approved by the Commission, would have the effect of reducing the differentials against Baltimore and Boston.

After the first proposed report in this proceeding, it was reopened for further hearing upon petition of the Boston Chamber of Commerce for the purpose of allowing Boston interests to introduce additional testimony.

HAY DEALERS CALLED AS WITNESSES

The major portion of the testimony introduced at the Chicago hay rate hearing which began before Examiners Worthington and Walsh, October 1, was presented by the Wisconsin commission. Other testimony was introduced by the Iowa commission, the Chicago Board of Trade, and by R. P. De Kamp, assistant general freight agent, Illinois Central Railway, who completed the carrier testimony with respect to Illinois.

W. F. Ehmann, rate expert for the Wisconsin commission, testified that the average increase proposed by the carriers from Wisconsin points to Chicago was \$1.74 a ton and to St. Louis, \$3.26 a ton. The average increase to Wisconsin points from Omaha that would result from the carriers' proposal amounted to \$1.92 a ton and, from Rapid City, S. D., \$5.50 a ton, according to his exhibits. With the exception of the Northern Pacific and the Great Northern, the carriers in Western Trunk Line territory have proposed the Class C rates which they asked in the Western Trunk Line class rate case.

According to Mr. Ehmann, as Wisconsin is a dairy state, it must ship in large quantities of hay suitable for dairy cattle and ship out most of the hay it produces, which is not suitable for dairy cattle. He testified that the present rates on hay were, in many instances, higher than on other light loading commodities such as furniture, baskets, fresh meat and vegetables.

C. E. Schrieber, statistician of the Wisconsin commission, presented an analysis of costs, based on the study introduced by Dr. M. O. Lorenz, head of the commission's bureau of statistics. The terminal cost on hay for the western district, according to his figures, amounted to \$1.615 a ton and the line haul cost was .7179 cents a ton-mile. In terms of a rate scale, that amounted to 9.5 cents a hundred pounds for 10 miles, 13.2 cents for 100 miles, and

21.2 cents at 300 miles. That basis, according to him, did not include anything for return on investment.

A number of Wisconsin hay dealers were called by P. H. Porter, attorney for the Wisconsin commission, who is representing all the state commissions of the western district in the proceeding. Their testimony was to the general effect that it would not be possible to get higher prices for hay at the terminal markets in the event of increases of the freight rates. Other commodities were substituted when the price went too high, it was said. That was particularly true in the case of packing hay, according to the testimony. Illustrative of the importance of the transportation cost, Frank Calliari, hay dealer at Green Bay, Wis., said Prairie hay cost from three to five dollars a ton in South Dakota and that the freight rate to Chicago was \$9 a ton. In response to questions from Mr. Porter as to what would be the effect of increasing the rates from South Dakota to such a point as Janesville, two and three dollars a ton, he said there would be no movement.

Objection to hay rate increases were made by J. S. Brown and S. H. Benson, of the Chicago Board of Trade. Mr. Benson cited the inequalities of the proposed raises as they affected Chicago, Cairo and St. Louis.

A general picture of the Chicago hay trade was given by Mr. Brown. Receipts there for 1927 were 116,397 tons, he said, the smallest since 1913. The small volume was not wholly due to rates, he thought, as consumption had declined. However, only 11 per cent of receipts last year were re-shipped, while 28 per cent was forwarded in 1926.

IN September 1928 the shipments of wheat from the Port of Houston amounted to 24,000 bushels as compared with 80,000 bushels in the same month last year. The barley shipments amounted to 70,000 bushels.

WHEAT amounting to 2,799,583 bushels were shipped from Galveston, Texas, during September of this year compared with 1,873,262 bushels last year in September. The barley shipments were 1,520,990 bushels, compared with 166,587 last year.

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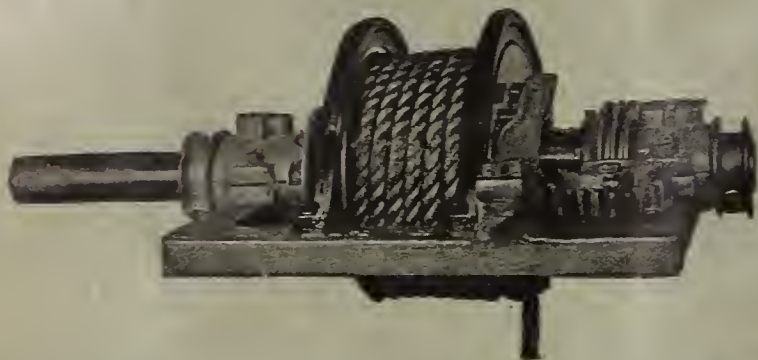
PHILADELPHIA, 2045 Hunting Park Ave.

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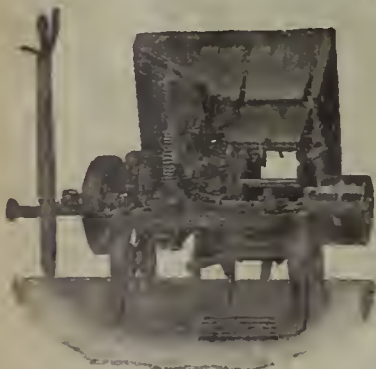
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